

Coordinating Board for Higher Education

Agenda of Meeting

**10:30 AM
Thursday
June 10, 2004**

**Tinnin Fine Arts Center Auditorium
Three Rivers Community College
Poplar Bluff**

**Driving Directions
to
Poplar Bluff**

From St. Louis:

Take I-55 South to US-67 South, Exit 174B-Bonne Terre/Park Hills
Continue on US-67 South approximately 114 miles
US-60 East/US-67 South is the business route through Poplar Bluff, also known as Westwood Blvd.
Three Rivers Blvd will be on the right

From Cape Girardeau:

Take I-55 South toward Sikeston, approximately 27.6 miles
Take US-60 West, Exit 66B-Poplar Bluff, approximately 46 miles
Continue on US-60 Business Route West, also known as Westwood Blvd. to Three Rivers Blvd., which will be on the right

From Springfield:

Take US-60 East approximately 68.5 miles
Continue on US-60 East/US-63 South approximately 13 miles
Turn Left on US-60 East, travel approximately 91.5 miles
US-60 East will merge with US-67 South-Business Route
Three Rivers Blvd. will be on the right

From Jefferson City:

Take US-63 South approximately 49.3 miles
In Rolla, I-44 Business Loop will merge into US-63, continue approximately 2 miles
Turn Left on MO HWY-72 and continue for approximately 26 miles
In Salem, turn left on MO HWY-72/MO HWY-32 travel approximately 13.8 miles
Take MO HWY-72 as it veers to the right, continue approximately 33.7 miles
Turn right on MO HWY-21, travel approximately 31.8 miles
Turn left on US-60 East, continue 28.8 miles
Continue on US-60 East as US-67 merges and becomes US-60 East/US-67 South business route, also known as Westwood Blvd.
Three Rivers Blvd. will be on the right

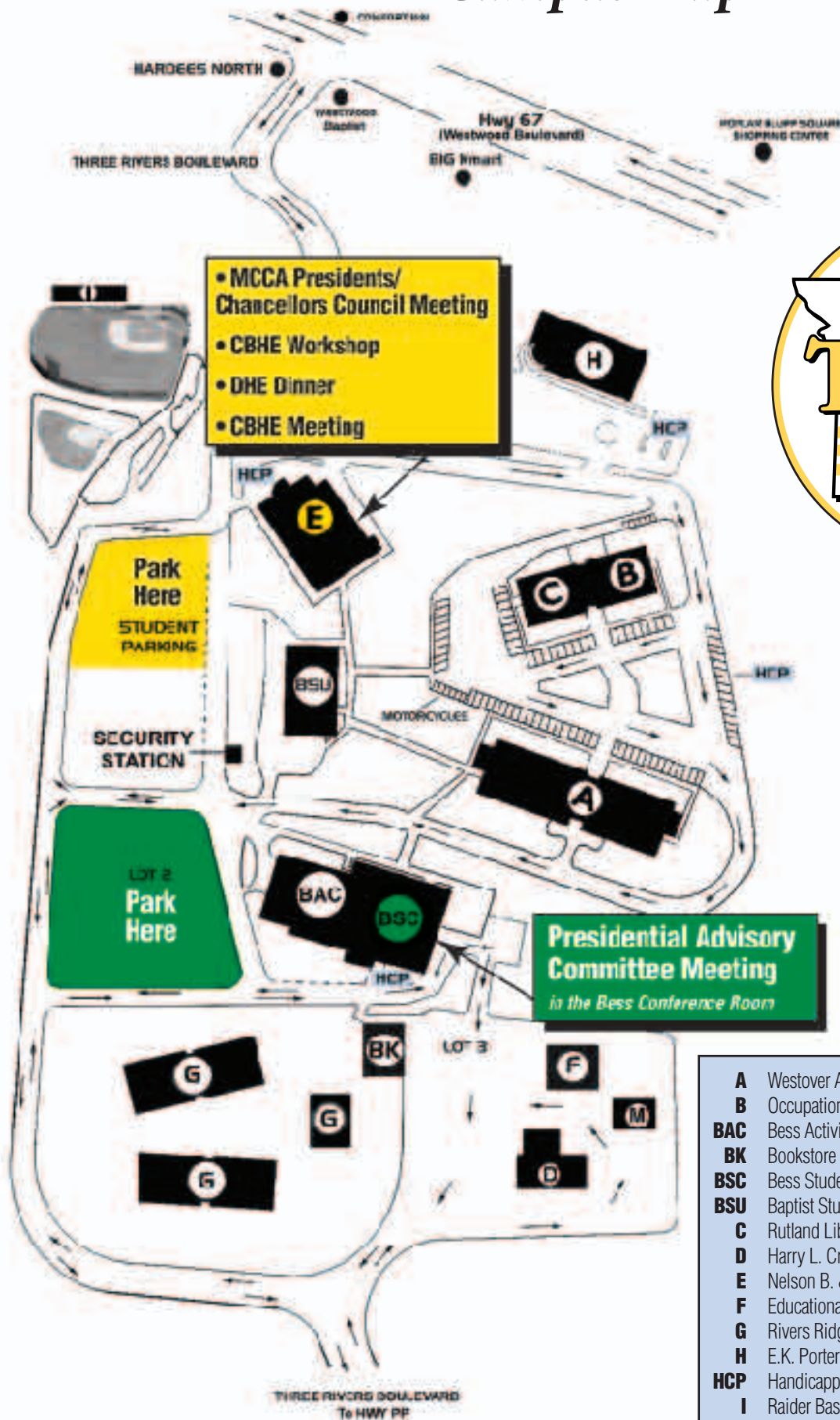
From Kansas City (from Interstate 70):

Upon arrival in St. Louis, take I-270, Exit 232-Chicago/Memphis, continue on I-270 for approximately 19.5 miles
Take Exit 1B-A/I-55 toward Memphis, Memphis exit will be 1A, continue for approximately 21.7 miles
Take Exit 174B-Bonne Terre/Park Hills, US-67 South, continue for approximately 114 miles
Continue on US-60 East as US-67 merges and becomes US-60 East/US-67 South business route, also known as Westwood Blvd.
Three Rivers Blvd. will be on the right

****Directions from Jefferson City may also be utilized for those traveling from Kansas City****

Three Rivers Community College

Campus Map



- | | |
|------------|---|
| A | Westover Administrative-Classroom Building |
| B | Occupational-Technical Building |
| BAC | Bess Activity Center |
| BK | Bookstore & Gift Shop |
| BSC | Bess Student Center |
| BSU | Baptist Student Union |
| C | Rutland Library |
| D | Harry L. Crisp, Sr. Technology Center |
| E | Nelson B. & Brent B. Tinnin Fine Arts Center |
| F | Educational Talent Search/Early Childhood Learning Center |
| G | Rivers Ridge Apartments |
| H | E.K. Porter Distance Learning Center |
| HCP | Handicapped Parking |
| I | Raider Baseball Clubhouse |

COORDINATING BOARD FOR HIGHER EDUCATION

Sandra D. Kauffman, Chair, Kansas City

Lowell C. Kruse, Vice Chair, St. Joseph

Dudley Grove, Secretary, St. Louis

Diana Bourisaw, St. Louis

Marie Carmichael, Springfield

Robert L. Langdon, Lexington

Kathryn F. Swan, Cape Girardeau

Earl Wilson, Jr., St. Louis

Mary Joan Wood, Cairo

TIME: 10:30 AM
Thursday
June 10, 2004

PLACE: Tinnin Fine Arts Center Auditorium
Three Rivers Community College
Poplar Bluff

**Coordinating Board for Higher Education
June 9-10, 2004
Three Rivers Community College
Poplar Bluff
Schedule of Events**

Wednesday, June 9

- | | |
|--------------------|---|
| 11:00 AM – 2:30 PM | CBHE Succession Planning Committee
E108, Nelson B. & Brent B. Tinnin Fine Arts Center |
| 11:30 AM | MCCA Presidents/Chancellors Council
E121/E122, Nelson B. & Brent B. Tinnin
Fine Arts Center
Three Rivers Community College |
| 3:00 PM – 5:00 PM | CBHE Work Session
E108, Nelson B. & Brent B. Tinnin Fine Arts Center |
| 5:00 PM | COPHE Dinner and Meeting
Andrea's Restaurant, 2216 Westwood
next to the Pear Tree Inn |

Thursday, June 10

- | | |
|---------------------|---|
| 9:00 AM – 10:15 AM | Presidential Advisory Committee
Bess Student Center Conference Room |
| 10:30 AM – 12:15 PM | CBHE Meeting
Nelson B. & Brent B. Tinnin Fine Arts Center Auditorium |
| 12:15 PM – 1:00 PM | Lunch
Nelson B. & Brent B. Tinnin Fine Arts Center Atrium |
| 1:00 PM | Resume CBHE Meeting, if necessary |

**COORDINATING BOARD FOR HIGHER EDUCATION
PRESIDENTIAL ADVISORY COMMITTEE**

Presiding – Chairman – Henry Shannon

TIME: 9:00 AM
Thursday
June 10, 2004

PLACE: Bess Student Center
Conference Room
Three Rivers Community College
Poplar Bluff

AGENDA

Tab

- | | | |
|-----|---|---|
| I. | Institution Performance Reviews and Planning Sessions | B |
| II. | Other Items | |

**COORDINATING BOARD FOR HIGHER EDUCATION
PRESIDENTIAL ADVISORY COMMITTEE**

**Representatives by Statute
September 2003**

Public Four-year Colleges and Universities

Dr. Bobby Patton
President
Central Missouri State University
Administration 202
Warrensburg 64093

Dr. Henry Givens, Jr.
President
Harris-Stowe State College
3026 Laclede Avenue
St. Louis 63103

Dr. David B. Henson
President
Lincoln University
820 Chestnut
Jefferson City 65101

Dr. Julio Leon
President
Missouri Southern State University - Joplin
3950 East Newman Road
Joplin 64801

Dr. James Scanlon
President
Missouri Western State College
4525 Downs Drive
St. Joseph 64507

Dr. Dean Hubbard
President
Northwest Missouri State University
800 University Drive
Maryville 64468

Dr. Ken Dobbins (COPHE President)
President
Southeast Missouri State University
One University Plaza
Cape Girardeau 63701

Dr. John H. Keiser
President
Southwest Missouri State University
901 South National Avenue
Springfield 65802

Dr. Barbara M. Dixon
President
Truman State University
100 East Normal
Kirksville 63501

Dr. Elson Floyd
President
University of Missouri
321 University Hall
Columbia 65211

Dr. Richard Wallace
Chancellor
University of Missouri-Columbia
105 Jesse Hall
Columbia 65211

Dr. Martha Gilliland
Chancellor
University of Missouri-Kansas City
5100 Rockhill Road
Kansas City 64110

Dr. Gary Thomas
Chancellor
University of Missouri-Rolla
206 Parker Hall
Rolla 65401-0249

Dr. Thomas George
Chancellor
University of Missouri-St. Louis
8001 Natural Bridge Road
St. Louis 63121

Public Two-year Colleges

Dr. Kent Farnsworth
President
Crowder College
601 Laclede Avenue
Neosho 64850

Dr. Karen Herzog
President
East Central College
P.O. Box 529
Union 63084

Mr. William McKenna
President
Jefferson College
1000 Viking Drive
Hillsboro 63050-1000

Dr. Wayne Giles
Chancellor
Metropolitan Community Colleges
3200 Broadway
Kansas City 64111

Dr. Terry Barnes
President
Mineral Area College
5270 Flat River Road
Park Hills 63601

Dr. Evelyn Jorgenson (MCCA President)
President
Moberly Area Community College
101 College Avenue
Moberly 65270

Dr. Walter Nolte
President
North Central Missouri College
1301 Main Street
Trenton 64683

Dr. Norman Myers
President
Ozarks Technical Community College
1417 North Jefferson
Springfield 65801

Dr. John McGuire
President
St. Charles County Community College
4601 Mid Rivers Mall Drive
St. Peters 63376

Dr. Henry Shannon
Chancellor
St. Louis Community College
300 South Broadway
St. Louis 63110

Dr. Marsha Drennon
President
State Fair Community College
3201 West 16th Street
Sedalia 65301-2199

Dr. John Cooper
President
Three Rivers Community College
Three Rivers Boulevard
Poplar Bluff 63901

Public Two-year Technical College

Dr. Donald Claycomb
President
Linn State Technical College
One Technology Drive
Linn 65051

Independent Four-year Colleges and Universities

Dr. Keith Lovin
President
Maryville University of St. Louis
13550 Conway Road
St. Louis 63131

Dr. Marianne Inman
President
Central Methodist College
Church Street
Fayette 65248

Dr. William L. Fox
President
Culver-Stockton College
One College Hill
Canton 63435-9989

Dr. Mark S. Wrighton
Chancellor
Washington University
One Brookings Drive
St. Louis 63130

Independent Two-year Colleges

Dr. Helen Washburn
President
Cotter College
1000 West Austin
Nevada 64772-1000

CBHE Presidential Advisory Committee
Meeting Summary
April 8, 2004
Dr. Henry Shannon, Chair

The CBHE Presidential Advisory Committee met at 9:00 a.m. on Thursday, April 8, 2004, in Aldridge Center at William Woods University in Fulton, Missouri. Members (or their representatives) present were:

Ann Pearce for Bobby Patton (Central Missouri State University)
Kent Farnsworth (Crowder College)
Karen Herzog (East Central College)
Constance Bowman (Harris-Stowe State College)
Henry Givens, Jr. (Harris-Stowe State College)
Gretchen Lockett (Harris-Stowe State College)
Rochelle Tilghman (Harris-Stowe State College)
Joe Simmons for David Henson (Lincoln University)
Donald Claycomb (Linn State Technical College)
Wayne Giles (Metropolitan Community Colleges)
James Kellerman (Missouri Community College Association)
Jeanie Crain for James Scanlon (Missouri Western State College)
Beth Wheeler (Missouri Western State College)
Evelyn Jorgenson (Moberly Area Community College)
Jeff Lashley (Moberly Area Community College)
Dean Hubbard (Northwest Missouri State University)
Norman Myers (Ozarks Technical Community College)
John McGuire (St. Charles County Community College)
Henry Shannon (St. Louis Community College)
Ken Dobbins (Southeast Missouri State University)
Barbara Dixon (Truman State University)
Michael McManis (Truman State University)
Y.T. Shaw for Gary Thomas (University of Missouri-Rolla)
Tom George (University of Missouri-St. Louis)
Stephen Lehmkuhle for Elson Floyd (University of Missouri System)
Marty Oetting (University of Missouri System)
Dave Russell (University of Missouri System)
Rose Windmiller for Mark Wrighton (Washington University)

Members absent from the meeting were:

Helen Washburn (Cottey College)
William Fox (Culver-Stockton College)
William McKenna (Jefferson College)
Keith Lovin (Maryville University of St. Louis)
Terry Barnes (Mineral Area College)
Julio Leon (Missouri Southern State University – Joplin)
Marsha Drennon (State Fair Community College)
Martha Gilliland (University of Missouri-Kansas City)

Members of the Coordinating Board present were:

Sandra Kauffman, Chair
Lowell Kruse, Vice Chair
Dudley Grove, Secretary
Diana Bourisaw
Marie Carmichael
Kathryn Swan
Mary Joan Wood

Also attending were:

Trudy Baker, Administrative Assistant for EPPIC
Becky Brennecke, Research Associate
Debra Cheshier, Director of Educational Policy, Planning, and Improvement Center (EPPIC)
Donna Imhoff, Budget Analyst
Janelle Jaegers, Director, Administration
Joe Martin, Deputy Commissioner
Jim Matchefts, Assistant Commissioner and General Counsel
Susanne Medley, Director, Communications and Customer Assistance
Brenda Miner, Executive Assistant to the Commissioner
Renee Riley, Public Information Specialist
Robert Stein, Associate Commissioner, Academic Affairs
Laura Vedenhaupt, Administrative Assistant for academic Affairs
Quentin Wilson, Commissioner of Higher Education
John Wittstruck, Senior Research Associate (EPPIC)

Welcome

Dr. Jahnae Barnett, president, William Woods University, welcomed the presidents, chancellors, the Coordinating Board for Higher Education (CBHE), and staff to the campus. Dr. Barnett summarized William Wood's expansion activities and gave a presentation on the historical background of the university.

Dr. Shannon, chancellor, St. Louis Community College, called the meeting to order.

Summary of Proposed Legislation Relating to Higher Education

Mr. Joe Martin presented the current status of higher education-related legislation. The Department of Higher Education (DHE) staff plans to follow the directive adopted by the CBHE to acquire, evaluate, and become involved with proposed legislation affecting higher education for Missouri's citizens. Staff will assist with drafting and development of bills that are in the interest of higher education. They will review and evaluate the merger and bonding legislation that is now before the General Assembly and provide more information on this legislation to the institutions. Commissioner Wilson invited suggestions on how the CBHE should handle those activities.

FY 2005 Budget Update

Mr. Martin informed presidents and chancellors that the House had passed the FY 2005 budget with several changes from the FY 2004 funding levels, namely additional funding for two institutions: Southwest Missouri State University and Missouri Southern State University-Joplin.

The Senate Appropriations Committee has tentatively approved the budget, but has excluded from the governor's recommendation, approximately \$40 million and the additional new money for Southwest Missouri State University. Most of the institutions' FY 2004 funding levels were approved with the exception of the University of Missouri System, and which additionally included a proposed 5 percent reduction in UM related appropriations. Concerning all institutions, the House has recommended a 5 percent budget reduction to MOBIUS and MOREnet.

Mr. Martin distributed a graph on Public Four-Year Institutions' Tuition and Fees Revenue and Appropriations, included as Attachment A, showing how tuition and fees have exceeded state appropriations for many institutions.

Discussion by presidents and chancellors included the following:

- Revenues from tuitions exceed revenues from state funding.
- There is no dedicated funding source for higher education institutions.
- Families and businesses make up the shortfall in funding for higher education.
- The move toward privatization has produced a climate of public good versus private good.
- More students from low-income families have difficulty affording higher education.
- Institutions are allotting more of their general operating funds to their student financial aid programs.
- Supporting higher education in this state is a shared experience.
- Some legislators feel that the state contributes enough to higher education and that families should contribute more.
- The change in leadership in the General Assembly is partially responsible for this shift in philosophy of support for higher education.
- Those who oppose state support also oppose student-supported tuition.
- A high percentage of students are working in the community to support their education.

The Coordinating Board invited suggestions for imparting the messages of the Presidential Advisory Committee meeting to new legislators, especially the key message that society receives a large return on state investment in higher education. The presidents and chancellors presented their ideas:

- Presidents and chancellors support a thoughtful discussion with legislators and other leaders about funding for higher education..

- Many Missouri institutions are faced with increasing numbers of low-income students, who need state and institutional financial assistance. Reductions in funding often create additional financial hardships for low-income students.
- Term limits adds another dimension to the problem, as newly elected officials often are in need of basic information about higher education.
- The return on society's investment is an important message.
- Presidents and chancellors need to be advocates in their local districts.
- There are many forces striving toward privatization that are against raising taxes to support higher education; raising taxes is one option to be considered if higher education is to reach its goals.

Presidents and chancellors gave their support to the CBHE to proceed in educating the legislators about the needs and benefits of higher education in the state. A systematic approach will begin immediately with on-going efforts to accomplish this before next session.

Excellence in Missouri Foundation

In April 2003, the CBHE adopted the Malcolm Baldrige Quality principles as a management model and encouraged staff to promote similar commitments from the institutions. Commissioner Wilson introduced Brenda Hatfield, president, Excellence in Missouri Foundation (EIMF), who presented a PowerPoint overview of the foundation's services, including the Missouri Quality Award, Team Quality Award Program, Governor's Quality Achievement Award, and many training programs. The PowerPoint is included with these minutes as Attachment B.

Ms. Hatfield described how institutions may evaluate their performance and identify next steps toward performance excellence with the free online assessment tool, Show Me Navigator, on the Excellence in Missouri Foundation website, www.mqa.org

Update on State Fair Community College's Programming Commitments in Jefferson City

Dr. David Henson, president, Lincoln University, and Dr. Marsha Drennon, president, State Fair Community College, met recently and from their discussions concluded that:

- State Fair Community College is giving serious consideration to changing its direction and expanding its program offerings in Jefferson City.
- Linn State Technical College, Lincoln University, and State Fair Community College will discuss with students the possibilities for completing their programs of study.
- Both State Fair and Lincoln will work with workforce development and area businesses on how to best meet the needs of the Jefferson City area.

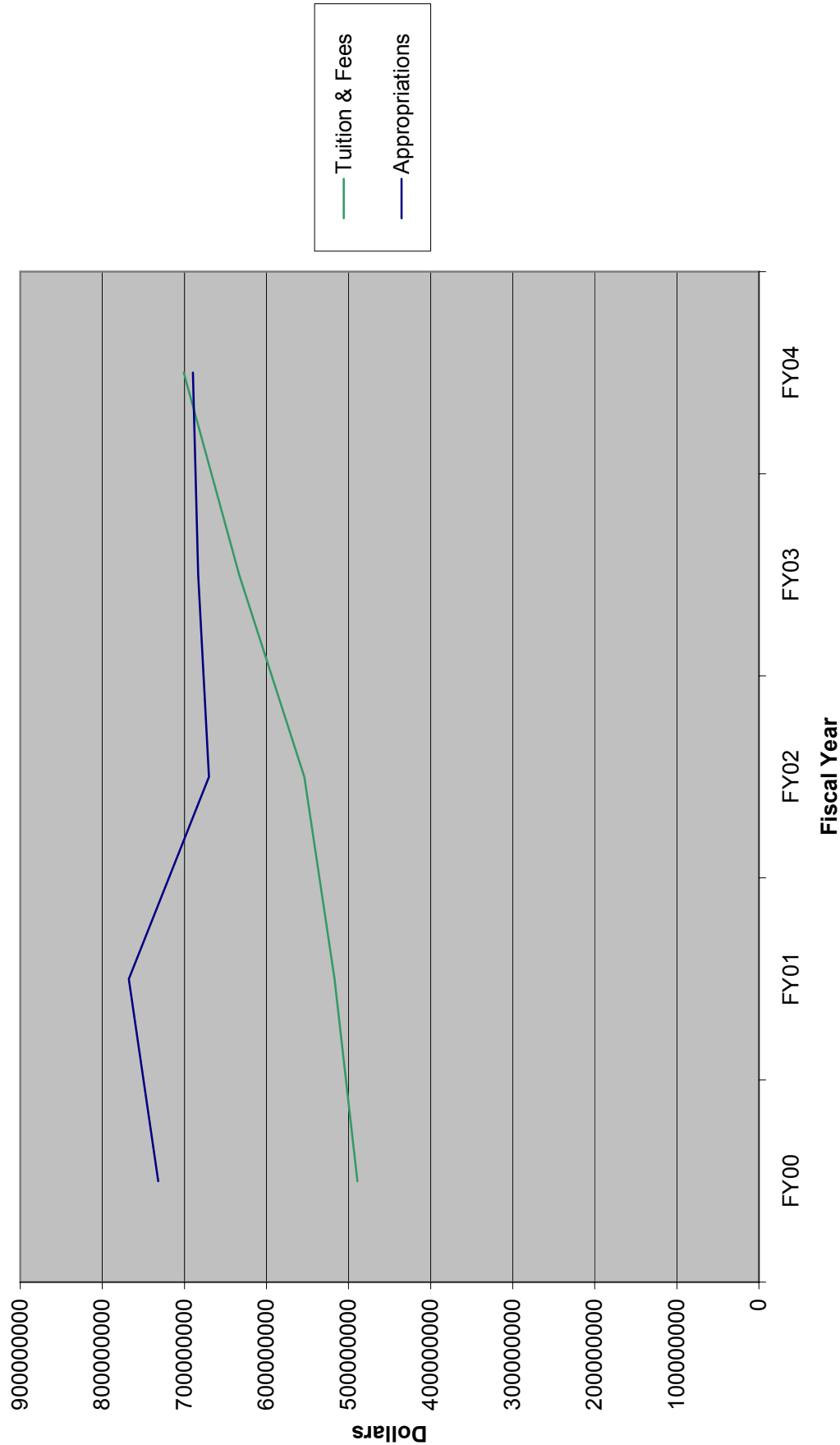
Summary of April 7, 2004 Joint Work Session: *Teaching at Risk: A Call to Action*

Dr. Debra Cheshier summarized the presentation by Gaynor McCown, executive director, The Teaching Commission, on *Teaching at Risk: A Call to Action*. The commission's recommendations include teacher compensation issues; teacher education program

improvements; changes in teacher certification and licensing; and enhanced local leadership and autonomy.

The meeting adjourned at 10:35 a.m.

Public Four-Year Institutions' Tuition & Fees Revenue and Appropriations

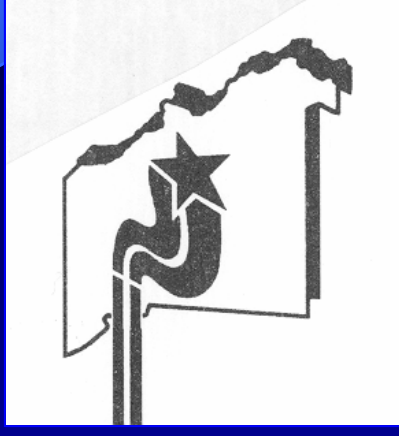


Coordinating Board for Higher Education

April 8, 2004

Excellence in Missouri Foundation

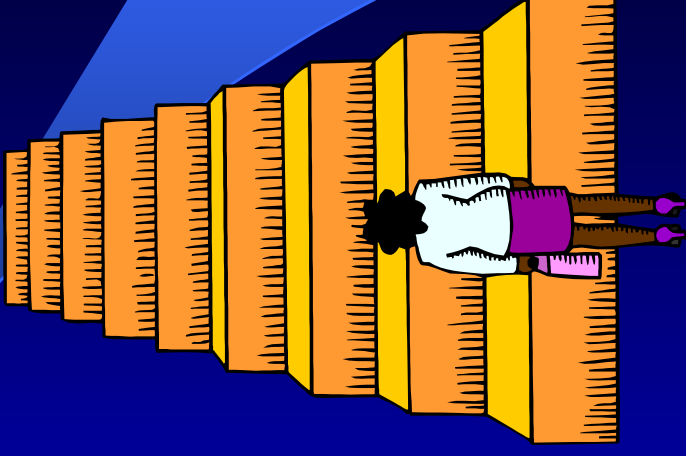
- Missouri Quality Award
- Missouri Team Quality Award
- Governor's Quality Leadership Award
- Education and Training



Getting Started

*“A journey of a thousand
miles must begin with
a single step.”*

Lao-tzu
(604 BC - 531 BC)
The Way of Lao-tzu



Excellence in Missouri Foundation

- Assessments
- Education and training



Show Me Navigator

- Entry level multiple choice questionnaire with feedback
- Evaluates performance relative to the seven Baldrige categories
- Identifies next steps
- Computer generated feedback and score

Show Me Navigator

- Assessment only--\$749
- Facilitated feedback session--\$2,000 - \$3,000.

Show Me Challenge

- Self-assessment based on Baldrige Criteria
- Internal team evaluates current performance relative to the seven Baldrige categories
- Customized training is provided to the internal team
- Internal team identifies and priorities next steps
- Team generated feedback report and score
- EIMF staff facilitate feedback session

Show Me Challenge

- 1-2 day team training
- Assistance in planning and conducting the assessment
- Facilitated feedback session to make data actionable
- \$5,000 - \$8,000.

Show Me Commitment

- Comprehensive assessment including an on-site assessment
- External and Internal team evaluates current performance
- Two-day On-site assessment with an additional 2-days off site for report creation
- Facilitated feedback session
- Mirrors MQA process

Show Me Commitment

- Facilitation of site visit preparation
 - category team preparation assistance
 - training of internal examiners
 - and determination of best method to approach site visit
- Conduct the site visit
- Prepare a site visit report
 - strengths
 - opportunities for improvement
- Feedback interpretation to make the data actionable.
- \$15,000 - \$25,000.

Education and Training

- Self-Assessment Seminars
 - Springfield, June 29-30
 - Kansas City, mid-August
- Recipient Sharing Days
 - Lake Regional Health System, April 21
 - ANPAC, April 27
- Customized training

Additional Information

www.mqa.org

Brenda Hatfield

Bhatfi01@mail.state.mo.us

573-526-1727

COORDINATING BOARD FOR HIGHER EDUCATION

TIME: 10:30 AM
Thursday
June 10, 2004

PLACE: Tinnin Fine Arts Center Auditorium
Three Rivers Community College
Poplar Bluff

AGENDA

	<u>Tab</u>	<u>Action Item</u>	<u>Discussion Item</u>
I. Minutes of the April 8, 2004 CBHE Meeting		*	
II. Report of the Commissioner			
III. Report of the CBHE Presidential Advisory Committee			
IV. Strategic Planning Update			
A. Status of Implementation of the American Student Assistance (ASA) Loan Servicing Contract	A		*
B. Institution Performance Reviews and Planning Sessions	B		*
C. Measuring Value-Added Student Learning Project Update	C		*
V. FY 2005 Budget Update	D		*
VI. Final Summary of Legislation-Second Regular Session 92 nd General Assembly	E		*
VII. State Student Financial Assistance Program, FY 2004	F		*
VIII. 2004 Governor's Conference on Higher Education	G		*
IX. Report of the CBHE Nominating Committee and Election of Officers		*	
X. Other Items			
XI. Information Items			
Certified Election Results from Proposed Junior College District of Lake of the Ozarks	1		
Academic Program Actions	2		
Campus-based Academic Program Review Update	3		

	<u>Action</u>	<u>Discussion</u>
<u>Tab</u>	<u>Item</u>	<u>Item</u>

Proprietary School Certification Actions and Reviews	4
Distribution of Community College Funds	5
Update on Recent Audits	6

Executive Session

RSMo 610.021(1) relating to “legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys.”

RSMo 610.021(3) relating to “hiring, firing, disciplining or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded.”

Other matters that may be discussed in closed meetings, as set forth in RSMo 610.021.

COORDINATING BOARD FOR HIGHER EDUCATION
Minutes of Meeting
April 8, 2004

The Coordinating Board for Higher Education met at 10:30 a.m. on Thursday, April 8, 2004, in the Burton Business and Economics Building at William Woods University in Fulton, Missouri. Members present were:

Sandra Kauffman, Chair
Lowell Kruse, Vice Chair
Dudley Grove, Secretary
Diana Bourisaw
Kathryn Swan
Mary Joan Wood

Members absent from the meeting were:

John Bass
Marie Carmichael
Robert Langdon

Others attending the meeting included:

Trudy Baker, Administrative Assistant for EPPIC
Becky Brennecke, Research Associate
Debra Cheshier, Director Educational Policy, Planning, and Improvement Center (EPPIC)
Donna Imhoff, Budget Analyst
Janelle Jaegers, Director, Administration
Joe Martin, Deputy Commissioner
Jim Matchefts, Assistant Commissioner and General Counsel
Susanne Medley, Director, Communications and Customer Assistance
Brenda Miner, Executive Assistant to the Commissioner
Renee Riley, Public Information Specialist
Robert Stein, Associate Commissioner, Academic Affairs
Laura Vedenhaupt, Administrative Assistant for Academic Affairs
Quentin Wilson, Commissioner of Higher Education
John Wittstruck, Senior Research Associate (EPPIC)

Chair Kauffman called the meeting to order. A list of guests attending the meeting is included as Attachment A.

Dr. Bourisaw moved **that the minutes of the February 19, 2004 meeting be approved as printed.** Mrs. Grove seconded the motion, and it passed unanimously.

Chair Kauffman thanked President Barnett and her staff for their hospitality and the gifts that they presented to the presidents and chancellors, the members of the Coordinating Board for Higher Education, and department staff.

Report of the Commissioner

As the Coordinating Board for Higher Education (CBHE) shifts from policy development to implementation, it is noteworthy that many of the priorities of the CBHE have also been identified as priorities by a number of groups and in a number of reports including the Commission on the Future of Higher Education, the Business Education Roundtable, the Taskforce on Achievement Gap Elimination, and the State of the Workforce Report. It is also interesting to note that these commonly held ideas and priorities have been discussed for a number of years. What has not developed, however, are collaborative implementation strategies producing widespread improvements. As a result, the Department of Higher Education (DHE) has been increasing its efforts in partnering with agencies involved with education and training to focus on effective implementation strategies.

A recent example of this occurred on April 7, 2004 when deans of colleges, presidents and chancellors of institutions, leadership from the Department of Elementary and Secondary Education (DESE), DHE staff, and others met at the Truman Office Building in Jefferson City to hear a presentation from Ms. Gaynor McCown, Executive Director of The Teaching Commission, who provided an overview of the Commission's recommendations for improving teacher quality. Following the presentation, attendees participated in small group discussions aimed at developing teacher quality priorities and related implementation strategies.

Many different ideas about which priorities to focus on and the implementation of priorities have resulted from these efforts. These ideas include leadership systems needed for implementation; enhancing the core curriculum; integrated and restructured data reporting formats; a common education website portal; the integration of institutions' aid packages with the state's grants and scholarships; promotion of financial literacy; promotion of institutional adoption of quality principles; and strategies for continued and enhanced partnerships with state agencies and other entities.

On a different issue, the commissioner noted that an election held on April 6, 2004 to establish the Lake of the Ozarks taxing district resulted in the defeat of this initiative. DHE staff has not yet discussed with the Lake of the Ozarks Community College Steering Committee what the next steps might be in light of the election results.

The Commissioner's Report, Third Quarter, FY 2004 is included in the minutes as Attachment B.

Report of the Presidential Advisory Committee

Dr. Henry Shannon, chancellor of St. Louis Community College, summarized the presidents' and chancellors' discussions from their April 8, 2004 meeting in the Aldridge Center. The FY 2005 budget will remain at FY 2004 funding levels for all institutions, except Missouri Southern State University-Joplin and the University of Missouri, which received a slight increase above the CBHE FY 2005 recommendation. Dr. Shannon noted that it is critical that the role of higher education be discussed at the local level and also statewide, and include discussions of the role of the legislature in the budgeting and policy-setting process.

Brenda Hatfield, president, Excellence in Missouri Foundation, provided information about the services offered by the foundation. An update on State Fair Community College's program delivery in Jefferson City was given by Dr. Robert Stein. On April 7, 2004, presidents and chancellors attended a presentation on teacher quality delivered by Ms. Gaynor McCown, executive director, The Teaching Commission, followed by a work session facilitated by Mr. Bill Bott.

Summary of Proposed Legislation Relating to Higher Education

Chair Kauffman noted that last year staff worked with the sponsors of legislation on Missouri Southern name change, the approval of expanding/new programs, and on collaboration among institutions. In recent board meetings discussions on tuition, selectivity and mission, and expansion of programs form the policies adopted by the CBHE to guide the department staff in its interaction with all higher education institutions. The CBHE feels that issues related to their policies need to be codified to ensure the CBHE is providing the best, most affordable and accessible education to Missouri's citizens.

Chair Kauffman proposed that the CBHE adopt the following recommendation: **The board recommends that any legislation adopted by the General Assembly authorizing the merger of Northwest Missouri State University (NWMSU) and the University of Missouri (UM) contain provisions relating to various policies of the CBHE affected by the merger. The board authorizes DHE staff to assist and provide advice to members of the General Assembly and their staff to achieve this recommendation. The board instructs the commissioner to notify the President Pro-Tem of the Senate, the Speaker of the House, and other members of the General Assembly as deemed necessary, of this recommendation.**

Dr. Bourisaw moved to adopt the motion. Mrs. Wood seconded the motion, and it passed unanimously.

FY 2005 Budget Update

Mr. Joe Martin reported that House action on the FY 2005 budget provided FY 2004 funding levels for most of the institutions, with the exception of Southwest Missouri State University and Missouri Southern University which will receive additional funding. The Senate Appropriations Committee's preliminary action recommended FY 2004 funding levels for most institutions except the University of Missouri System. The Senate also proposed a 5 percent reduction in UM related appropriations, such as the University of Missouri Hospital and Clinics, Kidney Program, Alzheimer's, Spinal Cord Injury, State Historical Society. Concerning all institutions, the House has recommended a 5 percent budget reduction to MOBIUS and MOREnet.

2004 Progress Report

Dr. Cheshier presented the 2004 Progress Report noting that it is a transitional document intended to measure progress in the prioritized areas of preparation, participation, and performance excellence. The data presented in this report provide a means to study trends over time for increased awareness of areas requiring more resources, staff attention, and policy efforts.

Mrs. Grove expressed concern that approximately 30 percent of high school students require remedial coursework upon entering institutions of higher learning. It is not acceptable to the CBHE that these students go to college unprepared or for colleges to spend their funds to achieve what the elementary and secondary schools should have accomplished. Likewise, it is not acceptable that there is not a diverse population in higher education institutions. Mrs. Grove stressed that it is a priority to increase the number of diverse students in the higher education institutions; the need to develop effective strategies enabling more minority and lower-income families' affordability of higher education for their children; and a call to the institutional leaders for action and change.

The CBHE suggested that higher education: 1) be represented on the Taskforce on High Schools, formulated for the preparation of graduation requirements; 2) to develop a team effort between K-12 and higher education; 3) find consensus on issues whereby, with the support of the institutions and others, they establish a plan to move forward; and 4) focus on higher quality in seeking solutions, i.e. through discussions with high schools or other groups who have participated in the Baldrige Criteria.

Collaborative Activities with the Missouri Higher Education Loan Authority (MOHELA)

Mr. Jim Matchefts introduced Mr. Michael Cummins, executive director and CEO, MOHELA, and Mr. Raymond Bayer, Jr., executive vice-president – Operations, MOHELA. They provided information on MOHELA's operations and outreach activities with the DHE and the higher education community. Later this year, MOHELA and the Missouri Department of Higher Education will offer a 3 percent interest rate relief for qualifying borrowers, specifically, borrowers who attend a Missouri school, utilize a MOHELA lender, and utilize the MDHE guarantee. More information is included in the minutes as Attachment C.

Dr. Bourisaw asked that a portion of the money be set aside for teacher incentives for urban teachers who teach hard-to-teach subjects in difficult-to-fill urban areas.

Mr. Cummins expressed the desire of MOHELA to obtain from the CBHE a recommended action for the implementation of the three resolutions passed by the MOHELA's Board of Directors establishing a partnership between MOHELA and the MDHE.

State of the Workforce Report

Dr. John Wittstruck introduced Mr. David Heath, chairman, Missouri Training and Employment Council (MTEC); Mr. James Dickerson, chair, Central Region, Missouri Workforce Investment Board; and mentioned that two other members of MTEC were Dr. Wayne Giles, chancellor, Metropolitan Community Colleges, and Dr. Henry Shannon, president, St. Louis Community College, as well as himself.

Mr. Heath presented an overview of the Missouri State of the Workforce Report 2003 Executive Summary, developed in response to a charge from the governor to identify essential and technical skills needed by businesses, to make recommendations for system improvement, and to recommend strategies to increase peoples' skills and knowledge to ensure they have access to job opportunities and security. Presentations are being made to chambers of commerce, businesses, labor unions, and educational organizations around the state, with MTEC members using their

influence and connections to drive their efforts forward. The CBHE asked to be informed of how they could assist in this endeavor. Mr. Heath's presentation is available on the Internet and is included in the minutes as Attachment D.

Dr. Wittstruck stated that it is recommended that the Missouri Coordinating Board for Higher Education acknowledge the role of education and training in Missouri's Workforce Development System and the integral role postsecondary education and training has in increasing essential skills and knowledge that will help people get and keep quality jobs. It is further recommended that the Coordinating Board for Higher Education endorse the Missouri Training and Employment Council's recommendations contained in the State of the Workforce Report and commend MTEC for its work in advancing the importance of postsecondary education and training to the state's workforce development system. Finally, it is recommended that the Coordinating Board for Higher Education direct the Commissioner of Higher Education and staff at the Department of Higher Education to assist the Missouri Training and Employment Council in implementing the report's recommendations. Mrs. Grove moved to adopt the motion. Mrs. Wood seconded the motion, and it passed unanimously.

Update on Department of Higher Education Improvement Projects

DHE staff continues its improvement efforts in selected areas following the board's adoption of the Baldrige Award Criteria in April 2003 through teamwork with an emphasis on customer views and needs. Dr. Cheshier reported that the first-round improvement projects included GEAR UP which is being assessed for how students participating in the program compare to those who do not; the ASA system conversion which will be completed in April with demonstrations and training sessions provided at many institutions; and redesign of the website based on recommendations from the team and focus groups which will enhance ease of use for customers visiting the department's website.

Second-round improvement projects include financial literacy intended to promote knowledge and sound decision-making about all types of financial issues; the improvement of our state grants and scholarship programs with the goal of enhancing access and completion of postsecondary education; a consortium of public and independent institutions to explore measuring value-added student learning through a pilot project using the RAND-developed College Learning Assessment instrument, beginning in fall 2004; a facilitated discussion on promoting institutional adoption of quality principles which will involve interested public and independent institutions through a one-day workshop, co-hosted by the department and the University of Missouri in late spring.

The board noted that GEAR UP focuses on students in middle-school grades, but students at younger ages should be targeted as well, if we want to understand how poverty impacts (i.e. motivation) postsecondary participation and successful college completion. Students of low-income families, given the resources, strategies, and the availability of financial assistance, can succeed.

Chair Kauffman encouraged the DHE staff to develop a common financial aid application that would inform students of the financial assistance possibilities available to them.

Department of Higher Education FY 2003 Annual Report

Commissioner Wilson noted that measurements of data in the FY 2003 Annual Report are based on headcounts and reported that the data are in line with national databases. Commissioner Wilson stated **that it is recommended that the Coordinating Board for Higher Education accept the FY 2003 Annual Report.** Mrs. Swan moved to adopt the motion. Mrs. Grove seconded the motion, and it passed unanimously.

Excellence in Missouri Foundation

Chair Kauffman noted that Ms. Brenda Hatfield, director, Excellence in Missouri Foundation, presented an overview of the foundation's services at the Presidential Advisory Committee.

Update on State Fair Community College's Programming Commitments in Jefferson City

Dr. Robert Stein reported that State Fair Community College is making decisions regarding their program offerings in Jefferson City. State Fair requested clarification on the CBHE policy regarding delivery at external sites. Jefferson City is not an external site, and its residents do not pay local taxes for full community college services. These and related issues will affect the decision of State Fair to remain at the Jefferson City site. Dr. Stein noted that Linn State Technical College, Lincoln University, and State Fair Community College are committed to working together to serve the Jefferson City community.

Appointment of Nominating Committee for Selection of CBHE Officers

Chair Kauffman appointed Mrs. Carmichael as chair of the Nominating Committee for Selection of CBHE officers. Mrs. Swan and Mr. Langdon will also serve on the committee.

Information Items

Distribution of Community College Funds

Mr. Martin noted that distributions of funds to the community colleges are occurring monthly.

Proprietary School Certification Actions and Reviews

Dr. Stein noted that Proprietary School Certification Actions and Reviews is a standard item.

Academic Program Actions

Dr. Stein noted that Academic Program Actions is a standard item.

High School Graduates Performance Report: Outstanding Schools Act – Senate Bill 380

Dr. Stein directed the board's attention to the concerns expressed earlier about increased expenditures for the remediation of students in Missouri's colleges and universities.

Mrs. Grove was concerned if any changes in the 16-unit high school core curriculum had been made since its implementation, and if the 92 percent of students, having completed the 16-unit high school core curriculum, are graduating with the knowledge they need to be successful.

Dr. Stein noted that since the studies conducted in 1994 concerning acceptable/applied courses, there have not been any changes to the core curriculum content or the 100 percent target goal. As a result of those studies, the list of acceptable courses for the 16-unit core curriculum was expanded to include applied course curriculum. As a result, several high school students have graduated without a core curriculum and given access to collegiate level work upon entering community colleges. Additionally, not all public four-year institutions have attained the 100 percent target goal.

Mrs. Grove suggested that since most families expect their children to attend college and most students take the core curriculum, that DHE work in collaboration with DESE to shift the focus to emphasizing expecting students to take the college curriculum so they would have to make a conscious decision not to and opt out if that is what they desired.

Dr. Stein noted that this opt out alternative was discussed briefly with DESE and the State Board of Education and is probably a good strategy for increasing the percentage of students in higher education. Data infers though many students are taking more courses, the coursework is not as rigorous in all institutions throughout the state. DESE is surveying school districts to find what requirements districts expect. It is necessary to know how much knowledge high school students have acquired by the time they graduate and how prepared they are for college. The Taskforce on High Schools, studying high school graduation requirements, might be a good place for the CBHE to influence those decisions.

As the college preparatory curriculum is also a workforce readiness curriculum, the Missouri Training Employment Council has recommended increasing high school graduation requirements.

The board concluded that it is necessary to raise the expectations and examine what knowledge and preparedness is necessary for students to enter and succeed in higher education institutions and the workforce. The CBHE needs to know what it can contribute, in collaboration with DESE, to generate this change and to encourage students to take full, rigorous course loads. The CBHE wants to examine what possibilities exist for providing some support, recognition, or programs to those 8 percent of students who are not college bound, for their involvement in the workforce.

MOHELA Recommendation

Mr. Cummins proposed, during his presentation on MOHELA, collaboration with DHE as outlined in the following recommended action:

In November 2003, the MOHELA Board of Directors passed three resolutions to establish partnerships with the MDHE for the benefit of Missouri students and families. The three resolutions provided that (1) MOHELA would commit up to \$5,010,070 for scholarships for eligible GEAR UP students in the event that Missouri College Guarantee Funds are not available to meet the MDHE's scholarship matching obligation; (2) MOHELA would set

aside \$25 million from its reserve funds and work with the MDHE to use the interest earned on the funds for early awareness and outreach activities, including scholarships for needy students; and (3) to the extent MOHELA is financially able, it would pay the one percent guarantee fee on behalf of student loan borrowers who are jointly served by MOHELA and the MDHE. The Missouri Coordinating Board for Higher Education endorses the resolutions passed by MOHELA's Board of Directors and directs the Commissioner of Higher Education and MDHE staff to take all actions necessary and appropriate to implement the resolutions. Mr. Kruse moved to adopt the motion. Mrs. Swan seconded the motion, and it passed unanimously.

There being no further business to come before the board, Mrs. Grove moved to adjourn the meeting. Mrs. Wood seconded the motion, and it passed unanimously.

The meeting adjourned at 2:55 p.m.

Roster of Guests
Coordinating Board for Higher Education
April 8, 2004

Name	Affiliation
Constance Bowman	Harris-Stowe State College
Donald Claycomb	Linn State Technical College
Jeanie Crain	Missouri Western State College
Michael Cummins	MOHELA
Jim Dickerson	Work Connections
Barbara Dixon	Truman State University
Ken Dobbins	Southeast Missouri State University
Kent Farnsworth	Crowder College
Tom George	University of Missouri-St. Louis
Wayne Giles	Metropolitan Community Colleges
Henry Givens, Jr.	Harris-Stowe State College
John Han	Missouri Baptist University
Brenda Hatfield	Excellence in Missouri Foundation
David Heath	Boeing
Karen Herzog	East Central College
Dean Hubbard	Northwest Missouri State University
Evelyn Jorgenson	Moberly Area Community College
James Kellerman	Missouri Community College Association
Nikki Krawitz	University of Missouri System
Jeff Lashley	Moberly Area Community College
Stephen Lehmkuhle	University of Missouri System
Gretchen Lockett	Harris-Stowe State College
John McGuire	St. Charles County Community College
Michael McManis	Truman State University
Norman Myers	Ozarks Technical Community College
Marty Oetting	University of Missouri System
Ann Pearce	Central Missouri State University
David Russell	University of Missouri System
Henry Shannon	St. Louis Community College
Y.T. Shaw	University of Missouri-Rolla
Joe Simmons	Lincoln University
Alex Stanley	LOES

ATTACHMENT A

Colin Suchland
Glenda Terrill

Rochelle Tilghman
Art Wallhausen
Beth Wheeler
Rose Windmiller

The Fulton Sun
Missouri Training and Employment Council
(MTEC)
Harris-Stowe State College
Southeast Missouri State University
Missouri Western State College
Washington University

**Coordinating Board for Higher Education
April 8, 2004**

**Commissioner's Report
Third Quarter, FY 2004**

Execution and Implementation through Strategic Partnerships

- Over the past six months, we have been shifting our efforts from a focus on policy research and development to execution and implementation.
- Both the research and development phase and our current implementation efforts require the active involvement of many other strategic partners, including both state, not-for-profit and private organizations.
- In order to achieve many of our desired outcomes, especially during tight budgetary times, it is important that we build upon such partnerships.

Commission on the Future

- As anticipated, we are finding that there is much common interest and commitment between the priorities of the Coordinating Board for Higher Education (CBHE), the Commission on the Future of Higher Education (COFHE), the Missouri Training and Employment Council (MTEC) State of the Workforce Report and efforts sponsored by the Department of Elementary and Secondary Education.
- We have expanded our interaction with agencies involved in education and training to ensure that we work together more effectively. Just last week Dr. Kent King, Commissioner of DESE, and I presented to the MTEC about the COFHE report and discussed how we might work together to implement some of the common recommendations of both reports. Several members were especially interested in the issue of increasing the rigor of the courses included in the state's core curriculum for high school graduation.
- Susanne Medley, our Director of Communications, is in the process of scheduling a meeting with the Public Information Officers at the Departments of Economic Development and Elementary and Secondary Education to ensure that we have a common message regarding the implementation of these plans and reports.

Some of the main areas covered in the COFHE report include:

Governance

- Follow-up to February work session

Teacher Quality

- Thanks to all of you who participated in the work session yesterday.
- Gaynor McCown of the Teaching Commission presented Teaching at Risk: A Call to Action.

Core Curriculum/DESE/MTEC

- We are continuing discussions with DESE regarding core curriculum.
- DESE recently announced the creation of a TASK Force on the High School.
- The committee includes teachers, principals, counselors, school board members, superintendents, vocational school directors, and higher education officials along with representatives of business and labor groups. Other participants include the high school principals' association and the Missouri State High School Activities Association.
- Work is to be completed by March 2005.

Commendation of Commission Members

- We were very lucky to work with such a diverse and talented commission.
- Many of the members have indicated that they would like to stay involved as we begin implementing the recommendations.
- To thank commission members for their service and dedication, certificates signed by the Governor were sent to them.

Strategic Plan Update

During the first year that I was here, we did a lot of listening and a lot of planning. I'm very happy to let you know that we are moving forward and implementing programs and ideas that our customers – including you (board members) told us were important.

Conversion to ASA

- One of the first teams that we chartered was the ASA system customer team. I am very happy to let you know that this project is in its final stages of implementation. The system will go live on Monday, April 12. MDHE staff have worked very hard to make this conversion a success.
- We have used another company for guarantor servicing for 17 years. After a formal bid process last year, we awarded the bid for guarantor servicing to ASA, the oldest guarantor in the country. We turned to our customers and asked them what features they would like in a new system. We have worked very hard to ensure that these features are included on the system. Although we were not able to get all of the features included in the first release, they are scheduled to go live in the next few months.
- We are very excited about our new system and our relationship with ASA. It will allow us to offer real-time guarantees for schools. Previously schools had to wait overnight to receive a loan guarantee.

Web Site Redesign Team

- The web site redesign team presented their recommendations last September to Senior Staff. The Communications and Customer Assistance Group are turning those recommendations into reality.
- The new web site will be broken into various customer portals, which will make finding information easier.
- The staff is targeting July 2004 to roll-out the web site.

- It's also important to note that MOREnet provides 24-hour monitoring of its servers, a service that we do not have the capability to do in-house.

State Program Award Delivery Process Team

- One of the projects that the department is focusing on this year is improving the grants and scholarships award process.
- The project was chartered in February.
- The team is currently being finalized and will begin its work as soon as possible.

Financial Literacy Team

- The financial literacy team was chartered in January and the team has been formed.
- There is definitely a need for a project such as this, as is evident by all of the articles that we are seeing in newspapers lately about students being uninformed about financial aid and their financial options to pursue higher education.
- Team members who will be working on this very important project include MDHE staff, financial aid staff from Lincoln University, and a representative from the Department of Elementary and Secondary Education.
- The team will begin its work in May. It was decided to postpone this team because many of the MDHE staff team members were involved with the ASA conversion.

Promoting Institutional Adoption of Quality Principles

- Work in the area of quality improvement at institutions continues to progress.
- We are in the process of scheduling a day-long facilitated work session for both public and private institutions to develop strategies for implementing quality principles into the institutions' daily operations.
- Additionally, a one-day workshop co-hosted by MDHE and the University of Missouri is scheduled for May 18. Dr. Massey will facilitate this session which will focus on redesigning the department's requirements for review of existing programs at public four-year institutions.
- Later in the board meeting we will talk about the annual report.

Involvement in Proposals During Legislative Session

- This session, we have begun working to apply CBHE principles and priorities to legislative proposals outside the CBHE budget and policy process.
- Life Science bonding proposal
- UM-NWMSU Merger
- CBHE policy should be developed following review of legislative session activities.

Lake Ozark Community College Election Results

- The proposition was voted down 63% to 37% by residents of the lake area on April 6, 2004.

Stafford *In-school, grace and deferment* **2.82%**

Stafford *in Repayment* **3.42%**

**With MOHELA's Rate Reliefsm and
Missouri Guarantee** **0.92%**

PLUS **4.22%**

**With MOHELA's Rate Reliefsm and
Missouri Guarantee** **1.72%**

Stafford or PLUS
**With MOHELA's Carnahan Public
Service Benefit** **3.25%**

**And MOHELA's Rate Reliefsm and
Missouri Guarantee** **0.75%**

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1-800-666-4352

636-532-0600

TDD (636) 532-5189

MOHELA reserves the right to modify, expand, or discontinue these programs at any time without notice. Rates are applicable to loans first disbursed between 7/1/1998 to 6/30/2004 and are reviewed annually on July 1. **Rate Reliefsm** and Public Service Benefits are offered exclusively by MOHELA Lender-Partners and are available to all borrowers in repayment whose loans are owned by MOHELA and serviced at our Chesterfield, MO servicing center. These benefits are not applicable to loans placed in Consolidation. These benefits are not applicable to payment, but rather reduces the interest rate and results in more dollars being applied to the principal of the loan. MOHELA reserves the right to discontinue offering **Rate Reliefsm** benefits to any borrower whose account becomes more than 29 days delinquent or in the event an auto-debit is terminated for any reason. Loans guaranteed by guarantors other than the Missouri state guarantee agency may qualify for a reduced level of **Rate Reliefsm**.



&



Partners providing Missourians with the lowest cost education loans available in the industry.

ANNOUNCEMENT

MOHELA and the Missouri Department of Higher Education are pleased to announce 3% Rate Relief! Effective upon the completion of required programming¹, qualifying borrowers who participate in Rate Relief will receive a 3% interest rate reduction. Specifically, borrowers who attend a Missouri school, utilize a MOHELA Lender, and utilize the MDHE guarantee will be eligible for 3% Rate Relief².

MOHELA will continue to offer other lower levels of Rate Relief for loans made to borrowers attending a school outside of Missouri or utilizing a guarantor other than the MDHE.

Example Monthly Savings for Participants

<i>Balance</i>	<i>Monthly Interest Savings</i>
\$5,000	\$12.50
\$10,000	\$25.00
\$20,000	\$50.00
\$30,000	\$75.00
\$40,000	\$100.00
\$50,000	\$125.00
\$60,000	\$150.00
\$70,000	\$175.00
\$80,000	\$200.00

MOHELA reserves the right to modify, expand, or discontinue its borrower benefit programs, including Rate Relief, at any time without notice. Rate Relief applies to Stafford and PLUS Loans and is available to all borrowers in repayment whose loans are owned by MOHELA and serviced at our Chesterfield, MO servicing center. Please review the Rate Relief Brochure for additional details. In no case will a borrower's interest rate be reduced below .25%.

¹ Programming is tentatively anticipated to be completed by October 1, 2004.

² Borrower must make monthly payments via auto debit and their loan must be owned and serviced by MOHELA in our Chesterfield offices. Please refer to the Rate Relief brochure for additional details and qualifications.



***Missouri Advantage Repayment Incentive
Option (MARIO)
for
High Demand Occupational Fields***

***Administered and Funded by:
The Missouri Department of Higher Education
and
The Missouri Higher Education Loan Authority***

The Missouri Advantage Repayment Incentive Option (MARIO) is designed to encourage Missouri's higher education students to pursue fields of study leading to employment with Missouri businesses and industries in high-demand occupational fields. These fields include biomedical/biotechnical, advanced manufacturing, and computer related (information technology) fields.

The Missouri Advantage Repayment Incentive Option is a student loan forgiveness program that is designed to address Missouri's workforce needs.

How will Employees qualify for MARIO?

To qualify for MARIO, you must meet the following eligibility criteria:

- You must have outstanding student loans borrowed on or after January 1, 2004, owned by MOHELA and guaranteed by MDHE.
- You must be a Missouri resident and a United States citizen or eligible non-citizen.
- You must be employed in a designated high-demand occupation, working in Missouri. Your employer will be required to complete a brief questionnaire and certification form, certifying that you are employed in a

field related to biomedical/biotechnical, advanced manufacturing, or a computer related field. The MARIO application review committee will make the final determination on your qualification.

How much loan forgiveness can applicants receive?

Qualifying borrowers may receive up to \$2,500 in loan forgiveness per calendar year, with a maximum loan forgiveness of \$10,000, subject to program funding. MDHE and MOHELA reserve the right to adjust maximum annual awards based on the availability of funds.

How can an employee apply for the MARIO Loan Forgiveness Program?

Applications will be available on-line at www.dhe.mo.gov or www.moheila.com on October 1, 2004 for loan forgiveness to be awarded in the calendar year 2005. The calendar year 2005 will be the first year for which MARIO loan forgiveness is granted. Applications will be processed on a first come, first serve basis and must be postmarked on or before April 15th of the application award year. Only complete applications with employer certifications will be given consideration. Loan forgiveness will be applied to the loans for qualified applicants before September 30th of each calendar year.

How much money is available for MARIO?

MDHE and MOHELA have initially pledged a minimum of \$18 million towards funding MARIO for calendar years 2005 through 2010, with a maximum annual funding of \$3 million. Funds are available on a first come, first serve basis and are subject to change depending upon certain economic conditions and other business related factors.

What is the source of the funding for MARIO?

Funding for MARIO will come primarily from MOHELA's previously accrued arbitrage rebate liability

reserves. This money has already been reserved and is available to fund interest rate reduction programs and loan forgiveness programs. In addition, some funding may come directly from MOHELA's retained earnings or MOHELA's annual general operating budget.

Operational Details:

MARIO will be administered by a joint committee of MOHELA employees appointed by the MOHELA's Executive Director and MDHE employees appointed by the Commissioner for Higher Education. MOHELA will employ one full time employee to serve as the Administrator of the MARIO program. The Committee will develop and refine the MARIO application and program rules & procedures. The Committee will provide a quarterly report to the MDHE and MOHELA Boards of Directors. From time to time, MOHELA and MDHE may be required to provide additional administrative resources to support the MARIO program during peak periods. All committee expenses and related program expenses including postage, stationary, printed forms and general office supplies will be funded by MOHELA's general operating budget.

How will MARIO and other Borrower Benefit Programs be Funded in the Future:

For twenty one years, the Missouri Department of Economic Development has allocated a portion of the States annual tax exempt revenue bond cap to the Missouri Higher Education Loan Authority. Tax exempt revenue bonds have made it possible for MOHELA and MDHE to offer Missouri's student and parent borrowers the lowest interest rates for student loans in the nation. In addition, MOHELA and MDHE borrowers have benefited from a variety of multi million dollar loan forgiveness programs including recent programs for Missouri's teachers, peace officers, and military personnel. Previously committed tax exempt cap has resulted in the generation of sufficient reserves to fund MOHELA's and MDHE's various interest rate reduction and loan forgiveness programs including the proposed funding

for MARIO through 2010. However, these reserve funds must continue to be replenished for Missouri's next generation of interest rate reduction and loan forgiveness programs. This can only be accomplished if the Department of Economic Development continues to provide tax exempt cap on an annual basis.

MOHELA currently has an application before the Director of the Missouri Department of Economic Development requesting \$200 million in tax exempt cap for calendar year 2003. If approved, MOHELA and MDHE management are confident the excess reserves generated by the requested cap allocation will continue to replenish funds available for continued funding of MARIO, and many other interest rate reduction and loan forgiveness programs administered by MDHE and MOHELA.

More specifically, approval of \$200 million in tax exempt revenue bonds for MOHELA can reasonably be expected to generate approximately \$3 million in average excess yield annually through 2010¹. Excess yield is considered to be any revenue exceeding expenses. Excess yield is retained by MOHELA in the form of both retained earnings and arbitrage rebate liability. Exact excess yield will be determined by current economic conditions, the competitive environment and more importantly by regulatory decisions made from time to time by the federal government including the anticipated 2005 reauthorization of the Higher Education Act².

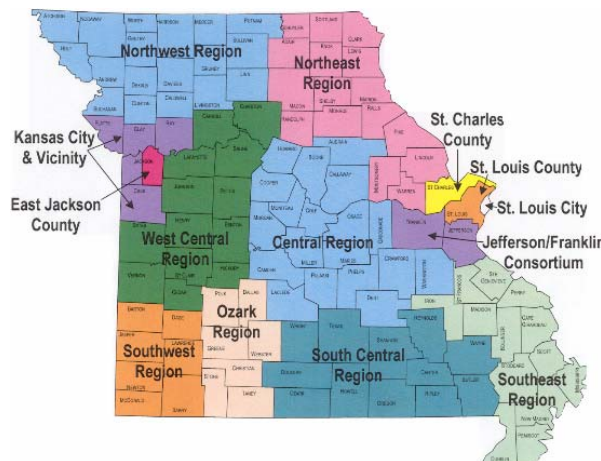
¹ MOHELA generally realizes an overall return on loans of approximately 1.5% for loans financed via tax exempt revenue bonds. Excess yield realized by MOHELA is retained either as retained earnings or is reserved in an arbitrage rebate liability fund. Both retained earnings and arbitrage rebate liability funds are available to fund interest rate reduction and loan forgiveness programs, including the proposed MARIO program.

² The Higher Education Act of 1964 is anticipated to be reauthorized by the federal government in 2005. Such a reauthorization typically includes additional yield reductions for loan holders and additional servicing requirements, etc.. As a result, it is difficult to accurately predict future excess yield results.

Missouri State of the Workforce Report 2003 Executive Summary

21st Century Economy

The 21st Century has brought with it dramatic changes in the world's economy. This transition to a 21st Century economy has been accelerated by the productivity increases afforded by evolving technologies. The emerging knowledge-based economy of the industrialized world requires higher skill levels of its workers and advanced business/manufacturing techniques of its companies. The economic future belongs to workers, businesses and governments that openly embrace innovation and acquisition of advanced skills and knowledge. As this report demonstrates, Missouri has much work to do to build a workforce with the skills required to assist their employers to compete in the 21st Century economy.



Reforming Missouri's Workforce Investment System

In response to the demands of the emerging 21st Century economy, Missouri is reforming its workforce investment system. Missouri is reinforcing its commitment to local decision-making by providing more relevant and complex data to communities. In addition, evidence of the collaborative efforts to improve system performance is reflected in the actions of such bodies as the local Workforce Investment Boards, Missouri Commission on the Future of Higher Education, Missouri Business/ Education Roundtable, Missouri Board of Education, Missouri Coordinating Board of Higher Education, Missouri Training and Employment Council, and others. A variety of business, organized labor and civic organizations are also fully engaged in transforming Missouri into a highly competitive 21st Century economy.

Missouri is attacking the challenges of this new knowledge-based economy in an integrated manner. The key to Missouri's continued success will be its ability to effectively integrate the actions of the business, education and workforce sectors. While efforts are underway to work toward common goals, the linkages between the three sectors must be accentuated and leveraged for success. Missouri is focused on the needs of business and a culture of life-long learning (skill refinement) is emerging. Adaptive systems are being designed to provide more meaningful information for individuals (a broader set of career options) and for businesses (enhanced market and workforce data).

What is the State of the Workforce Report?

The *Missouri State of the Workforce Report 2003* was developed in response to a charge by the Governor to the Missouri Training and Employment Council to identify gaps in skills and education of the workforce, and recommend strategies to increase essential skills and knowledge that will help people get and keep jobs. The development of the *Report* has been a collaborative effort among people from the business, labor, education and the workforce

service delivery system. The Missouri Training and Employment Council has initiated a comprehensive dialog on the state of the workforce with the assistance of The Corporation for a Skill Workforce (a respected national consultant). As requested by Governor Holden, the essential and technical skills needed by business and industry have been identified, along with eleven essential recommendations for improving the workforce investment system.

The full report incorporates information from many state and national data sources, and analysis by various committees and stakeholders, including the National Governors Association Workforce Policy Academy Team. This document is one piece in a suite of workforce performance reports and intelligence products developed for Missouri by the Corporation for a Skilled Workforce. Additional products include *Missouri's State of the Workforce Report 2003*, *Comparative Workforce Indicators for the State of Missouri* and *Developing a Balanced Scorecard for Missouri's Workforce System*.

Missouri's State of the Workforce Report 2003 suite of products is available at:

<http://www.ded.mo.gov/employment/mtec/>

Missourians Must Recognize, Embrace, and Initiate Change and Innovation

Missouri must reposition itself to be successful in the “new economy.” According to the **2002 State New Economy Index**, produced by the Progressive Policy Institute, Missouri ranks near or below average in many important factors.

New Economy Indicators

Indicator	Missouri Score	Missouri Rank of all States	U.S. Average	Top Ranked State (Score)	Bottom Ranked State (Score)
Manufacturing Workforce Education	0.67	40 th	1.0	Hawaii (1.76)	Arkansas (0.01)
Scientists and Engineers	.38%	31 st	0.49%	New Mexico (1.21%)	Nevada (0.22%)
Industry R&D Investment	.81%	29 th	1.91%	Rhode Island (4.29%)	South Dakota (.08%)
Overall Score (21 indicators)	58.85	24 th	60.32	Massachusetts (90.00)	West Virginia (40.71)

Source: 2002 State New Economy Index <http://www.neweconomyindex.org/states/2002/>

The new economy requires high-level cognitive skills, innovation, adaptability to rapid change, and strong linkages among government, education, and business. Twentieth century models of education and economic development will not help the state to be competitive in the next century. The 21st Century model of education requires increased rigor and lifelong learning. The 21st Century approach to economic development includes cluster-based strategies and community involvement.

The Missouri Economic Research and Information Center (MERIC) has identified three potential clusters¹ that are key to Missouri's future success; they are advanced manufacturing, information technology, and life sciences. Together, these clusters account for over 40 percent of the state economy, contributing over \$60 billion annually. They are responsible for over 360,000 direct jobs and over 700,000 additional indirect jobs. However, they should not be automatically accepted as the final clusters without full discussion and consensus with stakeholders.

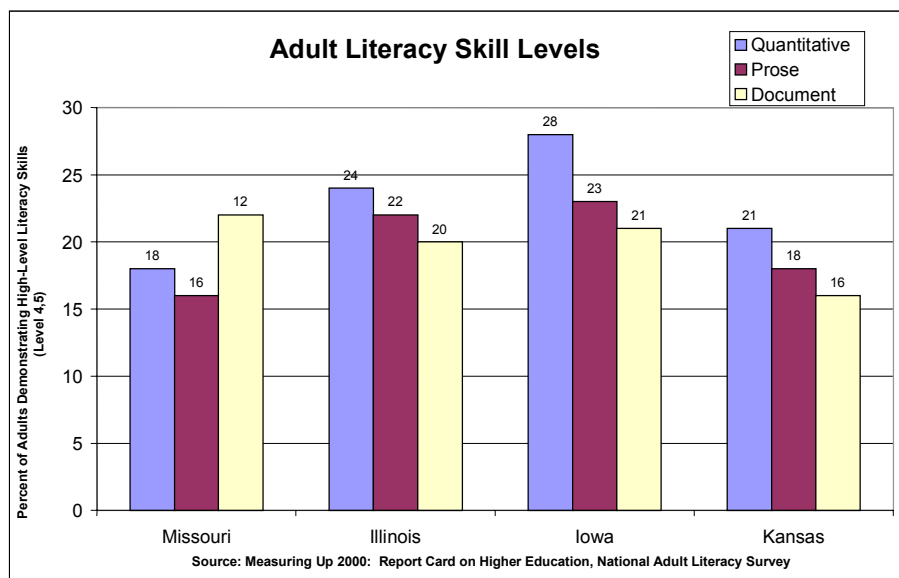
Strategies for cluster-based workforce development:

- **Training:** upgrading workers' skills in the industry clusters.
- **Sector research and analysis:** learning more about the industries' practices and factors for success.
- **Worker retention:** assisting cluster employers in identifying and resolving retention issues.
- **Employer engagement:** forming and working with industry associations and skill alliances.
- **Career pathways:** developing skill standards for intermediate and long-term credentials in the industries.
- **New worker recruitment:** brokering labor force attachment and raising the quality of the applicant pool.
- **Organizing for action:** building coalitions of stakeholders, developing advocacy campaigns.
- **Enterprise development:** developing entrepreneurial training, discovering new markets.
- **Changing "systems" of the industry:** changing regulations, financing and investment patterns, hiring and training practices.

Percentage of Citizens Who Are Highly Literate Must Increase Significantly

One of every two Missourians does not meet average levels of adult literacy. To be competitive in the new economy, the workforce must have strong basic skills and have the capacity to benefit from training. Nationally, people who are at the level of one-

third of Missourians are more likely to be living in poverty, more likely to be on welfare or food stamps, are employed fewer weeks per year, and are disproportionately represented in the prison population compared to people at the upper levels of literacy.



¹ A cluster is a group of similar, related, or complimentary businesses that are geographically bounded; share specialized infrastructure, labor markets, and services; and are faced with common opportunities and threats.

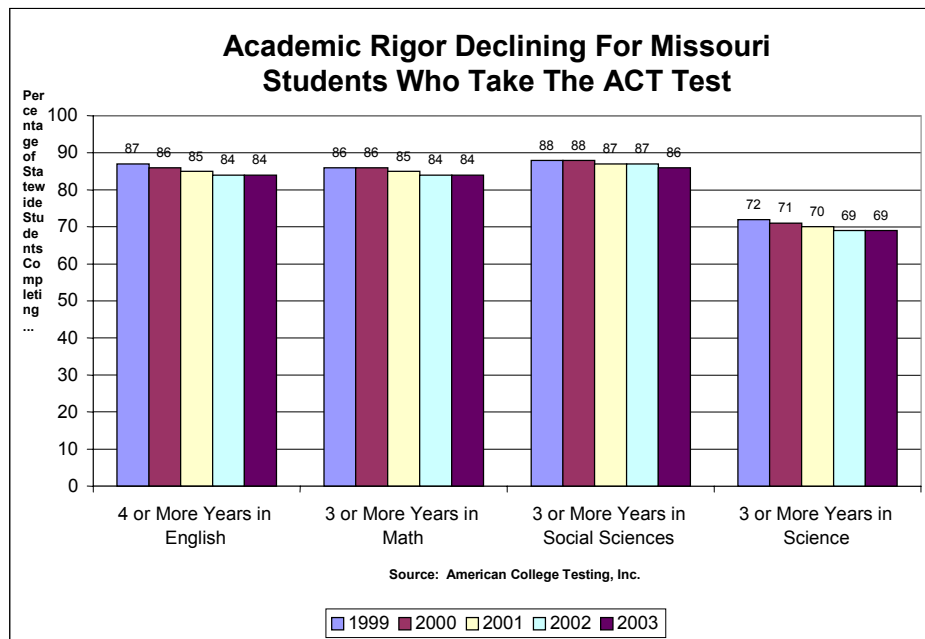
Strategies for Engaging Missourians in Improving Literacy:

The Missouri Training and Employment Council has identified recommendations to expand participation in literacy programs:

- As reflected in the Missouri Business - Education Roundtable Report, the State must provide strong support for an education continuum of pre-school through higher education.
- Imbedding literacy instruction in all adult training programs.
- Promoting a common workforce readiness credentialing system for Missouri.
- Enhancing Missouri Career Centers to identify those in need of literacy training.
- Support efforts by the State's higher education institutions in developing and promoting literacy improvement programs in the communities they serve.
- Encouraging businesses to promote the benefits of literacy in the workplace.
- Continue to provide literacy training opportunities for all people receiving public assistance leading to self-sufficiency.

High School Graduation Requirements Must be More Rigorous

The new economy requires higher-level cognitive skills. Increased rigor in educational preparation can contribute to development of those skills. At a time when the state needs to be more academically competitive, there has been a decline in the number of students completing



the more rigorous academic courses. Recent records show that fewer students are choosing to take advanced English classes. There has also been a two percent decline in the percentage of students taking three or more years of math, and a three percent decline in the percentage of students taking three or more years of science.

When comparing key indicators of college preparation, Missouri ranks below selected comparison states (Illinois, Iowa, and Kansas) in:

- The number of scores in the top 20 percent nationally on ACT exams per 1,000 high school graduates.
- Percent of high school freshmen enrolling in college within four years of graduation.
- 18 to 24 year olds enrolling in postsecondary education.

Compared to the top states in the nation, Missouri has a lower percentage of eighth grade students scoring at or above “proficient” on the national assessment exam in math (22% compared to 34%), reading (29% compared to 38%), and writing (17% compared to 31%).

Therefore, high school graduation requirements must be more rigorous including four years of English and three years each of social studies, mathematics and science. Additionally, the Council supports a curriculum that includes foreign language.

High School Graduation Requirements Must Include a Nationally Recognized Work-Readiness Certification

In order to graduate an increasing number of students with a work readiness certification, the state will need to put in place a skills assessment mechanism. The mechanism must be one that is applicable to both youth and adults if it is to be meaningful to employers, parents, workers, and students alike. Many states, including Missouri, are using WorkKeys to assess the skills of adults and youth. Other assessment tools used by Missouri include the National Occupational Competency Testing Institute (NOCTI) and the Competency Profiles used by the Department of Elementary and Secondary Education. Indiana, for example, has mounted a \$25 million, five-year statewide WorkKeys saturation plan. The WorkKeys test counts as a federally reportable skills credential.

Over 10,000 students drop out of Missouri high schools each year. Over a four-year period, this equates to 40,000 students who have dropped out. This is more than the total population of many Missouri towns and cities. (MO DESE Core Data - Nov 25, 2002)

Any useful assessment needs to be supported by a relevant 21st Century skills curriculum. There are multiple frameworks for building skills needed for the new economy. The skills they promote include task management, analytical skills and problem solving, team contribution and leadership, customer relations, production and processing, advocacy and influence, and resolving conflict and negotiating. Imagine how useful school high school transcripts would be to employers if they addressed proficiency in “using math to solve problems and communicate” rather than just a geometry grade.

As part of an employability/portability portfolio, high school transcripts can be used as a direct connection between education and business. Businesses should utilize the high school transcript (grades, attendance, extracurricular activities) as an additional measure of employability.

Strategies for Increasing Work-Readiness:

- Use the Missouri Assessment Program (MAP) as a means by which to increase worker readiness. The Missouri Training and Employment Council recommends:
 - ◆ Full funding for the four major areas of MAP statewide.
 - ◆ Adoption of a statewide readiness assessment for all high school and GED graduates.
 - ◆ Establishing a publicity campaign that would deliver strategic messages regarding MAP and WorkKeys (or other skills assessment programs).
 - ◆ Establishing statewide standards for secondary graduation rates.
 - ◆ Linking standards to the A+ Schools Program.
 - ◆ Requiring teachers and professors to do periodic business internships that are consistent with their academic discipline.
 - ◆ Imbedding career options into high school and college course content.
 - ◆ Imbedding core workplace competencies into high school and college course content.
 - ◆ Developing business and education partnerships at the secondary and post-secondary levels.
 - ◆ Eliminating social promotion of students from one grade to the next.
 - ◆ Instituting a standard community college entrance exam for evaluating a student's general education and core competencies.
- Identify cross-sector knowledge and skill requirements for the targeted clusters.
 - ◆ Change how teaching is done; not just what is taught; ensure businesses have the skilled workers they need to grow and prosper.
- Recognize the value of customer service in the growing service economy by including it as a skill in which people should be proficient.
- Make transcripts count:
 - ◆ Make employers aware of the value of high school transcripts (grade point average, attendance and extra-curricular activities) in the employee selection process.
 - ◆ Establish a trained speakers' bureau to talk to freshmen about how critical transcripts will become.
 - ◆ Launch a media campaign aimed at employers who do not ask for transcripts, and to students about the value of education.

All Adults Must Be Engaged in Continuous Learning and Skills Development

To sustain and grow critical industries in the new economy, all workers within the industry – from the entry-level worker to the chief executive – must continuously learn new skills. The world of work is changing too rapidly to allow learning to end at high school or even college. The typical worker will change jobs 10 times in the course of his or her life. Three of these changes will involve major career shifts. Job seekers will have to figure out how to connect their existing skills to the next job, and how to fill the gaps in their knowledge and skill base. Employers will have to learn what skills are available and how to predict and describe what skills they need. The best unemployment insurance is skills and adaptability.

Critical occupations in the candidate clusters for Missouri reflect knowledge, skill sets and levels of those skills that may not have been predictable ten years ago. The chart below outlines the top skill and knowledge requirements for critical occupations in advanced manufacturing, information technology, and life sciences.

Industry	Top Skill Requirements	Top Knowledge Requirements
Advanced Manufacturing	<ul style="list-style-type: none"> ➤ Operation and Analysis ➤ Mathematics ➤ Information Organization ➤ Product Inspection ➤ Operation Monitoring ➤ Testing ➤ Operation and Control ➤ Equipment Maintenance ➤ Troubleshooting ➤ Installation and Repair ➤ Instructing 	<ul style="list-style-type: none"> ➤ Computers and Electronics ➤ Engineering and Technology ➤ Chemistry ➤ Mechanical ➤ Building and Construction ➤ Production and Processing ➤ Design ➤ Radio Frequency Identification ➤ Lean Manufacturing/Business ➤ Six Sigma Quality Control
Information Technology	<ul style="list-style-type: none"> ➤ Operation and Analysis ➤ Mathematics ➤ Information Organization ➤ Reading Comprehension ➤ Troubleshooting ➤ Programming ➤ Instruction ➤ Writing ➤ Implementation Planning 	<ul style="list-style-type: none"> ➤ Computers and Electronics ➤ Mathematics ➤ Engineering and Technology ➤ English Language
Life Sciences	<ul style="list-style-type: none"> ➤ Service Orientation ➤ Speaking ➤ Social Perceptiveness ➤ Active Listening ➤ Writing ➤ Operation and Control ➤ Monitoring ➤ Reading Comprehension 	<ul style="list-style-type: none"> ➤ Medicine and Dentistry ➤ Biology ➤ Customer and Personal Service ➤ Therapy and Counseling ➤ Clerical ➤ English Language ➤ Computers and Electronics

Source: U.S. Department of Labor O*Net™

Strategies for Increasing Continuous Learning and Skills Development in Targeted Clusters:

- Research the key skill and knowledge sets required for critical occupations in targeted clusters and where and how those skills may be learned. Work closely with the employer and incumbent worker communities to validate the research.
- Target training funds toward development of those skills and knowledge sets that are transferable among key occupations and industries (including apprenticeship programs).
- Proactively work with underserved populations to develop skills needed for entry into targeted cluster occupations.
- Provide needed support services such as transportation and child care to enable people to participate in training and work.

Career Education and the Community/Technical College System Must Be Expanded

Career and technical education will be increasingly important to sustain and grow critical industry clusters in the new economy. The Bureau of Labor Statistics estimates that the number of jobs requiring either an associate's or postsecondary vocational credential will grow 24.1 percent in this decade. The transferability of vocational credits from high school to two-year, and from two-year to four-year institutions will also be important. By 2020, it is estimated that there will be 15 million new jobs requiring some level of college preparation.

The table on page 9 shows Missouri's top twenty occupations nationally based on employment, wages, and projected growth reflects the need for higher education. Seven of the top ten are computer-related; computers continue to increase in importance in all occupations. Four of the top twenty occupations require highly specialized skills, but not a four-year degree: electricians, computer support specialists, sheet metal workers, and registered nurses.

Strategies for Expanding Career and Technical Education:

- The U.S. Department of Education has identified sixteen key occupational clusters with required skill standards (www.careerclusters.org). The Missouri State Department of Elementary and Secondary Education is moving towards full implementation of a career clusters strategy. Once finalized, the strategy needs a public awareness campaign and the full support of business, workforce and economic development leaders.
- The Missouri Training and Employment Council has targeted more employer engagement as a critical strategy in improving the education system. A clearly charted path is needed to enable employers to see where and when they fit in with education and work-based learning.
- The Council also identified a need to expand the A+ Schools Program, including consideration of combining or leveraging it with the Advantage Missouri Program. Recommendations for expansion include increasing funding for tuition, requiring all schools to meet A+ Schools Program standards, and combining the program with skills assessment.
- Citizens of every geographic region in Missouri should have access to postsecondary career and technical education.

Critical Occupations Across Industries In Missouri

Top 20 Occupations

Occupation Title	Rank of 2001		Ranking of 2001 Annual Wage		Ranking of 2000-2010 Growth		Total Ranking	Part-Time QRT	Unemployment QRT	Education & Training Requirements
	2001 Employment	2001 Employment	2001 Annual Wage	2001 Annual Wage	2000-2010 Growth	2000-2010 Growth				
Computer Software Engineers, Applications	5,830	97	\$66,760.00	27	55.9%	3	127	Very Low	Very Low	Bachelor's degree
Computer Systems Analysts	9,540	60	\$58,420.00	56	31.0%	26	142	Very Low	Very Low	Bachelor's degree
Computer and Information Systems Managers	5,610	102	\$71,950.00	23	33.4%	20	145	Very Low	Very Low	Degree plus work experience
Lawyers	8,200	73	\$94,090.00	11	23.4%	74	158	Low	Very Low	First professional degree
Sales Managers	6,950	83	\$73,390.00	19	24.8%	56	158	Very Low	Low	Degree plus work experience
Computer Software Engineers, Systems Software	2,900	183	\$66,210.00	29	53.0%	6	218	Very Low	Very Low	Bachelor's degree
Electricians	12,280	47	\$46,230.00	135	25.3%	52	234	Very Low	Low	Long-term on-the-job training
Network and Computer Systems Administrators	3,890	150	\$51,300.00	94	58.4%	2	246	Very Low	Very Low	Bachelor's degree
Network Systems and Data Communications Analysts	2,260	220	\$61,570.00	41	50.3%	7	268	Very Low	Very Low	Bachelor's degree
Computer Support Specialists	9,710	58	\$39,840.00	212	73.7%	1	271	Very Low	Very Low	Associate's degree
Pharmacists	4,790	119	\$70,780.00	24	21.3%	130	273	Low	Very Low	First professional degree
Marketing Managers	4,200	139	\$70,710.00	25	20.5%	140	304	Very Low	Low	Degree plus work experience
Medical and Health Services Managers	4,850	116	\$59,280.00	49	20.2%	143	308	Low	Low	Degree plus work experience
Financial Managers	11,080	51	\$65,290.00	30	14.9%	242	323	Very Low	Very Low	Degree plus work experience
Chief Executives	13,460	40	\$98,490.00	9	12.7%	290	339	Low	Very Low	Degree plus work experience
Sheet Metal Workers	4,780	120	\$41,850.00	193	29.2%	32	345	Very Low	High	Moderate-term on-the-job training
Registered Nurses	51,170	5	\$43,350.00	172	18.3%	169	346	High	Very Low	Associate's degree
Database Administrators	1,540	278	\$55,800.00	68	45.7%	8	354	Very Low	Very Low	Bachelor's degree
Securities, Commodities, and Financial Services Sales Agents	5,020	114	\$54,980.00	72	17.9%	179	365	Low	Low	Bachelor's degree
Construction Managers	4,510	126	\$59,550.00	46	17.1%	198	370	Very Low	Very Low	Bachelor's degree

Note: Last three columns are national data from the U. S. Bureau of Labor Statistics

Uniform Articulation and Dual Credit Mechanisms Needed to Improve Pipeline

In 2001, there were over 20,000 degree-seeking and non-degree seeking undergraduate transfer students within Missouri. The number rose to nearly 21,000 the following year. In the fall of 2001, over 3,000 public two-year students transferred to public four-year institutions within Missouri. The high number of transfers points to the need for articulation agreements between various levels of education, including secondary vocational to postsecondary vocational, as well as from apprenticeship and two-year institutions to four-year institutions.

The higher education system must award credits for education and skill-based training. One of the means to do so might be to look at leveraging public and private programs together in order to streamline efforts, reduce redundancy, and reward education and training accomplishments with higher education credits. Reducing the “seat time” required to gain credits and credentials will save both personal and public time, and expenditures for education, increase the number of credentialed workers in the state, and facilitate the movement of labor in the economy by allowing workers to move seamlessly in skill development through work and education along career paths to higher level jobs.

In addition, community and technical colleges must be highly responsive to the short-term and just-in-time training needs of business and industry. Such responsiveness will assist both the business and the individuals being trained.

Strategies for Improving the Worker Pipeline:

- Continue to formalize and finalize uniform statewide articulation agreements between all public secondary to postsecondary institutions, and among all public postsecondary institutions. Specific attention should be given to community-based organizations and organized labor.
- Develop a mechanism for assessing knowledge and skills learned in the workplace and translating those skills into postsecondary credit. Start the process with the key occupations in targeted cluster industries.
- Change the mindset in the postsecondary community from organizing education around seat time, credit hours, and letter grades, to an organizational model based on defined skill acquisition and demonstrations of proficiency.
- Expand the Missouri Mathematics Academy into additional school districts and businesses.
- Evaluate the New Career Education Teacher Mentoring Program for effectiveness and expansion.
- Support the development of the Counselor Academy, which is being designed to assist school counselors in helping students develop their career goals and plan of study.

Comprehensive Public Awareness Campaign Must be Deployed

A public awareness campaign is needed to raise Missourians’ aspirations and expectations for education and training and their relation to economic survival and growth. States are where they are in terms of education, literacy, lifelong learning, and economic conditions because of individual and organizational behaviors. Those behaviors are shaped by perceptions of what is important and has value. The only way behaviors will change is if perceptions are changed.

Strategies for a Successful Public Awareness Campaign:

- Identify a strategic theme that resonates with the public.
- Coordinate and integrate the recommendations in this report with existing initiatives and build on existing energy.
- Sweep people in by creating an environment of inclusion and creating a coalition strong enough to support and guide the actions.
- Build an infrastructure for action by recognizing that time and attention are scarce resources, and determining what needs to be given the most attention.
- Identify the roles that various stakeholder groups must play in changing perceptions and bringing about action. Gain the commitment of the stakeholder groups through local compacts.

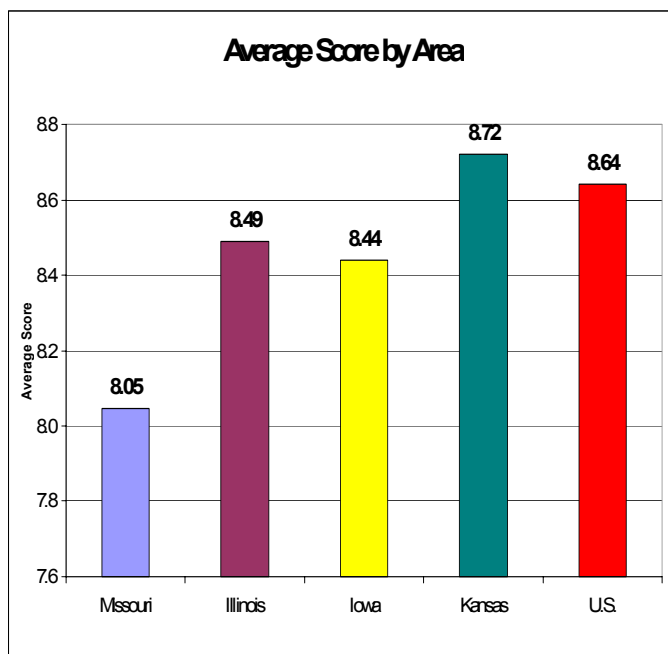
State Agencies Must Work with Local Workforce Investment Boards

While state industry cluster targets are important, Missouri is made up of many unique local economies. Understanding the driving forces within each of those economies is critical if the individual labor markets are to be competitive, and thus whether the state is competitive. Understanding key industries and occupations and associated knowledge and skill characteristics takes careful and thoughtful analysis using a variety of tools. One such tool can be a supply/demand gap analysis.

The most common method of defining the gap is by comparing higher education and vocational education programs and program enrollments with the forecasted growth of related occupations. While that works well for specific programs and occupations such as nursing, it works less well for general education preparation, such as “college prep” at the secondary level and liberal arts degrees at the postsecondary. Individuals with those credentials cannot be easily aligned with where they eventually land in the world of work, nor does this process account for how skills are acquired in the workplace and how occupations change over time.

Illinois recently released funds for Critical Skills Shortages planning grants to a consortia of local workforce investment boards. The state was divided into 10 economic development regions, which incorporate all or parts of the 26 workforce investment areas. Boards in the regions must plan together and involve the broader community and stakeholders to research and agree on target industry sectors and critical occupations within those sectors for their economy. A second round of funds will be provided to allow the regions to invest in training to fill identified skill shortages.

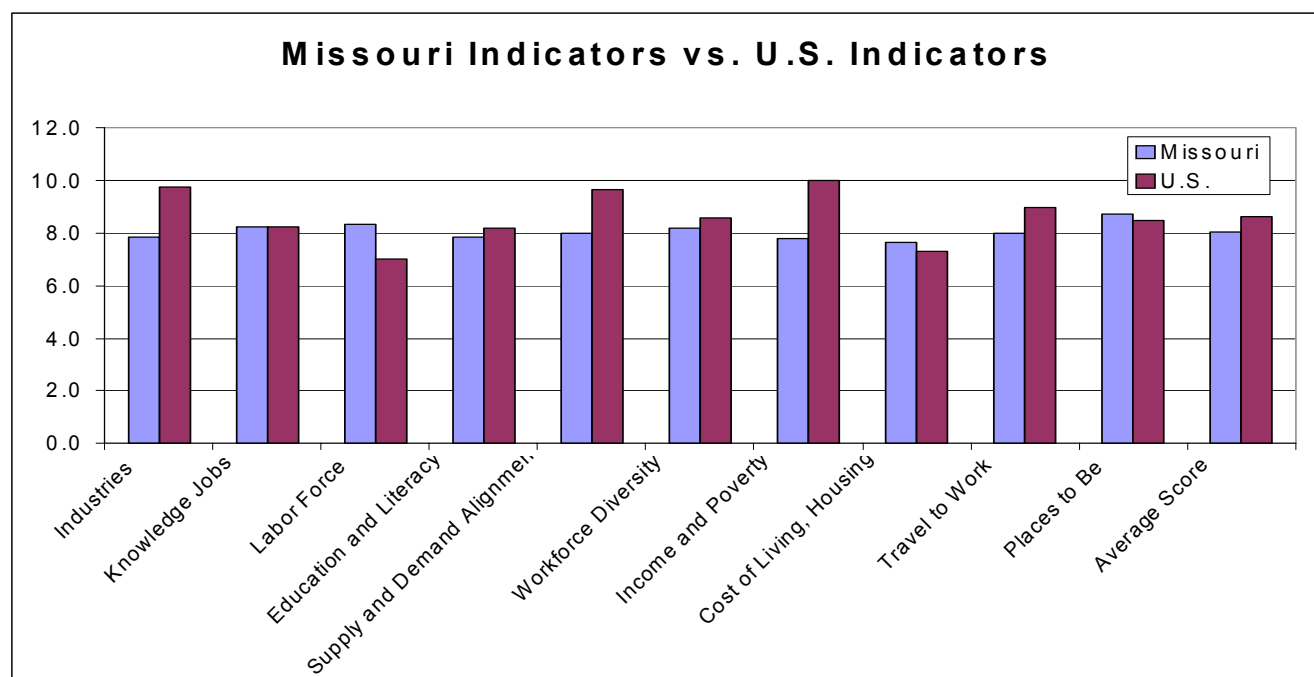
Given the complexities of identifying supply/demand gaps on this broader scale, it is important that each local economy facilitate an iterative process that includes labor market analysts, educators, economic developers, training institutions, and business in active dialogue about skill needs and skill gaps and how to fill them.



An emerging tool for understanding state and local economies in terms of their competitive workforce advantages and disadvantages is a set of 10 key indicators (supported by over 40 different data sets) that allows comparison of any area with its choice of comparison states, regions, counties, or municipalities. Application of the tool results in scores that allow for direct comparison, although it should be cautioned that the scores are only valid for comparing the areas under study; a score cannot be transferred to a comparison of a different set of areas that may include one or more of the original areas.

Corporation for a Skilled Workforce, which developed the Comparative Workforce Indicators®, used the tool to compare Missouri to Illinois, Iowa, Kansas, and the United States. As shown in the graphics above, Missouri seriously lags behind its neighbors.

Comparative Workforce Indicators® are one way to tell a story across a variety of areas to identify strengths and weaknesses. Another way of telling the story of a region is through intelligence about how the public worker preparation system is doing in influencing the factors that lead to rankings on the indicators. This measurement takes the form of a balanced scorecard of indicators



that guide tactical decisions and time and resource investments. The scorecard is useful in getting away from individual program measures and focusing instead on the collective results produced by the system working together. This requires the involvement and commitment of all state agencies that oversee any part of the local workforce preparation system, to align their priorities and direct their resources on a regional basis to support the key industries and occupations that drive the local economies.

State agencies can also work with local boards on assessing their One-Stop systems against the industry leaders. A benchmarking study conducted by Corporation for a Skilled Workforce in partnership with Leaders in Excellence outlines the characteristics shared by the most progressive One-Stop centers in the country. A new assessment tool that incorporates policy considerations and updated One-Stop critical success factors from the benchmarking report will be released in the near future. The critical success factor indicators include: making employer services a priority; becoming knowledgeable about key industries; establishing one-on-one relationships with employers; and viewing other public intermediaries as partners, not competitors. A focus on performance-based outcomes will enhance productivity. One-Stop systems that incorporate such factors into their operations are more likely to help Missouri increase its competitive position.

Strategies for State Agencies and Workforce Boards Working Together:

- Provide resources for supply/demand gap studies at the local labor market level.
- Align state agency investment priorities with the identified critical skill gaps.
- Collaboratively design and implement a balanced scorecard approach to measuring success of the one-stop system. Identify measures that focus on how well the target industries and critical skills are addressed.
- Assess One-Stop centers against the critical success factors identified through benchmarking and develop business plans at the center-level to move One-Stops toward the characteristics of the industry leaders.

Develop Regional State of the Workforce Reports to Guide Resource Allocation

The Missouri Economic Research and Information Center (MERIC) has launched “Target Missouri II” (TM2). TM2 is a MERIC-inspired initiative to both revive and revamp the idea of targeting industry clusters. The new system will take account of sub-economies within the state, because of the belief that different industries affect regions differently. MERIC will evaluate the current industry mix within a region, identify which industries generate the greatest economic impact, look at site selection criteria, gauge a region’s capacity to attract certain industries, and assist them in developing short-term and longer-term economic development strategies. Coupled with potential supply and demand gap analyses discussed previously, local areas should develop state of the workforce reports. These reports should be driven and informed by data, but should ultimately factor in the anecdotal direction of the region and work to date, such as efforts already underway to foster new relationships with local education and training providers.

Assisting At Risk Missourians Achieve a Better Standard of Living: Aiming Toward Self-Sufficiency

Missouri is not unlike any other state in that it has pockets of prosperity as well as pockets of poverty, and areas of strong communities and economically weaker communities. Within the weaker communities, it is important that everyone has an opportunity to attach to the labor market. Over 35 percent of Missouri's working age population is not working and not actively seeking work. The state must proactively work with traditionally underserved populations so that everyone has access to education and skill development opportunities as well as quality jobs.

Missouri's workforce development system should strive to increase the labor force participation of those persons traditionally underserved by Missouri's labor market; specifically persons of low-income: women, ex-offenders, at-risk youth, young minority males, and persons with disabilities. Missouri must initiate a greater interagency effort to link separate programs into a continuum of integrated services, supported by mentoring and individual-based support services, to enable clients to participate in skills-based training and/or employment retention programs. This includes such support services as: food; housing; child care; transportation; emergency cash assistance; job coaching; job shadowing; health care (including mental health); substance abuse education; domestic violence intervention; life skills in vocational and job training, higher education, and GED certification; as well as work readiness certification. This could be achieved by collaboration, integration and reallocation of funding as necessary. At least preserving current funding levels for the existing efforts providing these services is recommended while developing more innovative integrated delivery among all agency programs.

Conclusion: Summary of Recommendations

- 1) Missourians must recognize, embrace, and initiate change and innovation.
- 2) Percentage of citizens who are highly literate (reading, comprehension and math skills at the 11th grade level or above) must increase significantly
- 3) High school graduation requirements must be more rigorous including four years of English and three years each of social studies, mathematics and science. This initiative must be linked with a more proactive policy to strengthen teacher preparedness.
- 4) High School graduation requirements must include a nationally recognized work-readiness certification.
- 5) All adults must be engaged in continuous learning (skills development).
- 6) Career education and the community/technical college system must be expanded and curricula targeted to the just-in-time skill standards, certifications, or licensing requirements of business and industry.
- 7) Uniform articulation and dual credit mechanisms must be established between and among secondary schools, community college, and university levels to provide degree credit for skill-based education and training.

- 8) A comprehensive public awareness initiative must be deployed to raise Missourian's aspirations and expectations for education and training, and their relation to their personal economic prosperity and growth.
- 9) State agencies must work with Local Workforce Investment Boards to conduct regional supply/demand gap analyses to identify the needs of business and industry and identify targeted industries/occupations for each region of the state.
- 10) In collaboration with other organizations, Local Workforce Investment Boards must develop regional State of the Workforce Reports based, in part, on data from the supply/demand gap analyses. These reports must guide policy and operational decision-making, as well as resource allocation.
- 11) Missouri's workforce development system should strive to increase the labor force participation of those persons traditionally underserved by Missouri's labor market; specifically persons of low-income, women, ex-offenders, at-risk youth, young minority males, and persons with disabilities. Missouri must initiate an interagency effort to integrate programs into a continuum of services, including mentoring, to support participation in skills-based training and/or employment retention programs.

AGENDA ITEM SUMMARY

AGENDA ITEM

Status of Implementation of the American Student Assistance (ASA)
Loan Servicing Contract
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

On October 11, 2002, the Missouri Department of Higher Education (MDHE) awarded its loan servicing and operations contract to American Student Assistance (ASA). From October 2002 through April 2004, MDHE and ASA staff worked together to modify ASA's system to reflect the needs of MDHE clients and staff.

In order to assist MDHE in determining those needs, the ASA Customer Team sponsored by Assistant Commissioner Jim Matchefts and facilitated by Director of Communications Susanne Medley was chartered in December 2002. The team's mission was "To identify, understand, and compile customer needs for the ASA Implementation Team so they can provide an efficient system for customers that meet their needs."

On June 18, 2003, the team composed of six MDHE staff presented their ten recommendations to Senior Staff. In addition, the ASA Implementation Team in consultation with the ASA System Customer Team developed measures, targets and outcomes with respect to the ASA System Customer Team's recommendations. This report represents the first phase of the evaluation of the overall success of the implementation project.

ASA System Customer Team Recommendations

Recommendation 1

Provide accurate, up-to-date information about conversion.

Status: Complete. MDHE staff utilized numerous methods to disseminate information about conversion. These methods included: numerous conference presentations, personal office visits, four regional MDHE fall workshops, six regional trainings, conference calls, an advisory committee, mailings, a weekly newsletter, a website, and an e-distribution list.

MDHE staff led by the Communications and Customer Assistance group created and published a weekly newsletter called the MODEL/ATOM II Monitor to deliver valuable information to clients. A new issue of the MODEL/ATOM II Monitor was created and distributed to clients every week from January 6 through April 30, 2004.

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June 10, 2004

Recommendation 2

Ensure system is easy to use. (i.e. not going through lots of screens to get where you need to be, one sign-in screen, logical flow, history easy to find).

Status: Ongoing. While ASA's system was already a user friendly Microsoft Windows, web-based system, MDHE staff in consultation with our clients have continued to identify opportunities to improve the system. Schools and lenders have only one log-in screen in MODEL Direct.

Recommendation 3

Provide on-time, real-time information.

Status: Complete. One of the primary reasons for selecting the ASA system was its speed. In our previous process most loan guarantees were an overnight process. The ASA MODEL system provides real-time instant guarantee processing. As a result, the MDHE has shortened a guarantee process that used to take as long as 24 hours, to one that takes just seconds. In addition, schools and lenders have access to real-time information through MODEL Direct to the live MDHE database at ASA. Previously, the information available to clients was as of the prior day close of business.

Recommendation 4

Offer training on how to use the new system and provide ongoing training as updates are made.

Status: Complete. MDHE and ASA staff conducted six regional trainings in St. Louis (2), Cape Girardeau, Kansas City, Springfield and Jefferson City. Staff also provided both in-person and telephone trainings for those organizations that could not attend one of the scheduled regional trainings. All of the schools and lenders that requested training were trained prior to conversion. In addition, ASA staff provided training for MDHE's internal staff at various times throughout the conversion period.

Recommendation 5

Ensure technology support is available to help with problems. (i.e. on-line assistance, one contact person for each school)

Status: Ongoing. ASA staff was on-site at MDHE during the first week we were live on the new MODEL system to provide technical assistance. In addition, ASA staff in Boston continues to assist MDHE and our clients with technical problems as they arise. Schools have all been assigned one contact person at ASA and MDHE.

Recommendation 6

Consider and explore ways to inform students about using the new system.

Status: Minimal Activity. Many of the schools asked that we not actively pursue promoting the system to students, at least at this time. After schools have had a chance to become familiar with the system, this is an issue that we will explore in the future.

Recommendation 7

Reconsider conversion date due to customers voicing concern about April 2004, preference was for November.

Status: Complete. Due to contractual requirements, feedback from additional clients and the historically low level of loan activity in April, the decision was made to continue with the April 1 conversion date and an April 15 go live date for the new system. As a result, the MDHE was down just seven business days. During that time over 19 million data segments belonging to over 700,000 borrowers were downloaded onto two sets of tapes (one back-up set) by our previous contractor, transported to Boston, converted to be compatible with our new system and uploaded onto our new system. In addition, prior to going live ASA processed all files received from our clients and manually advanced the system date from April 1 to April 15.

Recommendation 8

Convert history data to new system.

Status: Complete. All 20+ years of history from our previous system was successfully converted to the new system. At the time of conversion this history included nearly 1.9 million loan segments representing over \$6 billion in guaranteed loans. Of those loans, at the time of conversion 699,932 loans for 303,043 borrowers with a guaranteed amount of \$2,770,180,960.82 were outstanding.

Recommendation 9

Communicate that history will be converted in future communications.

Status: Complete. The fact that history would be converted was initially communicated to clients in the MODEL/ATOM II Monitor on 1/6/2004 and at each of the conferences, workshops and trainings conducted.

Recommendation 10

Once determination is made, inform customers of when conversion is scheduled.

Status: Complete. The conversion date and schedule were communicated in the MODEL/ATOM II Monitors, MODEL website, e-mails, letters, conferences, trainings, presentations, telephone calls and personal visits.

STATUTORY REFERENCE

Section 173.095, RSMo, Missouri Student Loan Program

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Institution Performance Reviews and Planning Sessions
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

Background

Over the past two years, the Department of Higher Education has worked to update and implement strategies designed to improve the return on the state's investment in higher education. Two main components of this effort include reviewing the ways we measure success in higher education and upgrading our methods of monitoring our performance on these measures.

In terms of measures of success, during the fall of 2002, DHE began discussions with institutions about the measures previously used during annual mission review meetings to monitor institutional performance. In April 2003, the board adopted a set of priority outcomes and the quality principles, both of which have driven departmental planning since that time. Each year, the board reviews its priority outcomes during its planning retreat.

In addition to this attention to its highest priority results, the CBHE has asked DHE staff to review and renew our means of reviewing performance on these measures, and other issues, with institutions. The annual mission review meetings held with DHE and institution leaders during the summer from 1994 through 2001 fulfilled this role during that time. Because of the expected lack of new mission enhancement funding upon the onset of the recent budget shortfall, these meetings were not held in 2002 or 2003.

However, regardless of the prospects for additional state funding for higher education, CBHE members have expressed the belief that such sessions represent an opportunity for valuable interaction on important issues between the DHE and higher education institutions. Issues reviewed at previous sessions included institutional strategic planning, review of performance measures, mission enhancement funding, institutional budget proposals and new legislative, administrative and policy initiatives.

The commissioner recently sent the attached letter to institution presidents and chancellors seeking their guidance and input about structuring a new round of such sessions so they might be most useful to CBHE and DHE, as well as the institutions. Feedback received in time will be shared during the June 10 meetings.

Coordinating Board for Higher Education
June 10, 2004

Next Steps

Based on discussions and other input received during the June 10 meetings, DHE staff will develop a proposed structure and format, as well as data presentations for these meetings, which would be held beginning in July.

STATUTORY REFERENCE

Section 173.020, RSMo, CBHE statutory responsibility to plan systematically for the state higher education system

Section 173.030(7) and (8), RSMo, pertaining to the board's statutory authority to undertake mission review of the state's public four-year colleges and universities every five years

Section 178.673(1) and (2), RSMo, pertaining to the board's statutory responsibility to develop five-year plan for Linn State Technical College and the state's system of postsecondary technical and community college education

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Letter to president and chancellors, two- and four-year public higher education institutions

TO: Presidents and Chancellors, Two- and Four-Year Public Higher Education Institutions

FROM: Quentin Wilson, Commissioner of Higher Education

DATE: May 28, 2004

SUBJECT: Institution Performance Reviews and Planning Sessions

As you know, Department of Higher Education (DHE) staff members engage in frequent discussions with you and your designees about our common efforts to enhance Missouri's system of higher education. As part of this process, the department conducts frequent reviews of academic programs and finances, among other issues.

In previous years, DHE staff conducted mission review meetings with institution leaders during the summer months. These meetings offered both you and DHE staff an opportunity for a very intense discussion about issues relating to institutional strategic planning, review of performance measures, mission enhancement funding, institutional budget proposals and new legislative, administrative and policy initiatives, among others.

Even without new mission enhancement or performance excellence funding, I believe such annual meetings would still be beneficial, both to the department and your institution. I've recently visited with several college and university leaders who expressed an interest in regenerating some form of these planning meetings. Some with whom I've spoken have suggested that the information exchange and discussion in such planning meetings would help achieve the following objectives:

1. Enhancing mutual understanding of institutional and statewide priorities, processes and performance;
2. Encouraging greater collaboration in developing and achieving common goals; and
3. Reviewing and strengthening evidence about the impact of investments in higher education that fosters more effective legislative and budget initiatives.

With the renewal of increased state investment in higher education this year, now is the right time to build a more powerful case for the effective investment of additional funding in the coming years.

Because of the investment of time and focused attention required for these meetings, I'd like your input about how to structure these events to be most useful. I look forward to discussing these meetings as a group at both the June 9 MCCA and COPHE meetings and at the June 10 Presidential Advisory meeting, but I would like to know in advance of any comments, questions or suggestions you might want me to address at these meetings.

Thank you for your input.

AGENDA ITEM SUMMARY

AGENDA ITEM

Measuring Value-Added Student Learning Project Update
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

Interest in systematically measuring college-level learning has been in the national spotlight for the past several decades. Despite its priority, states continue to struggle with providing clear evidence of the value added by attendance at a particular college or university as approaches to this key challenge are often confounded by expense, complexity of design, and opposition from vested groups both within and outside the academy. In identifying Measuring Value-Added Student Learning as a major improvement project, the MDHE is emphasizing the use of student outcomes assessment data to improve teaching and learning as a major component of an institution's commitment to quality principles and performance excellence. The intent of this item is to update the board on the status of this second round improvement project.

Background

There is no issue more important to the state's future economic growth than increasing the number of its citizens who complete high quality postsecondary certificate and degree programs. To ensure that institutions are indeed adding value to the learning that occurs while attending college, institutions should use quality principles such as those in the Baldrige criteria. These criteria highlight the importance of several factors including sound leadership, strategic planning, and using systematic data to establish baseline information to set meaningful target goals and to inform decisions for change.

Early in its deliberations the Missouri Commission on the Future of Higher Education determined that states lacked a systematic, consistent way to measure value-added student learning. Furthermore, this shortcoming was perceived as having a potentially negative impact on the ability of an institution of higher education to accurately reflect on its contribution to student learning and in turn on the design of meaningful improvement agendas. Recommendation #6 in the Commission's final report, issued in December, 2003 called on Missouri to:

“measure performance in value-added learning at Missouri higher education institutions and statewide. The state should expand and build upon an already impressive assessment agenda.”

MDHE wants to avoid legislative mandates for institutions, preferring a consensus-building strategy to promote assessment and to measure the impact of assessment on campus level improvement. Because of its inherently beneficial nature, improvement is a more valuable driver than accountability and should therefore be stressed in relationships with institutions.

MDHE began conversations with institutions about a Missouri project on value-added student learning in the fall 2003. Early in its exploration, MDHE began conversations with Dr. Roger Benjamin, president of RAND's Council for Aid to Education (CAE), which was already promoting a national value-added assessment initiative for the purpose of creating more credible measures of student learning progress related to major high-order skills common to key objectives of a student's general education curriculum. The CAE approach focuses on the institution (rather than the student) as the unit of analysis. The CAE project is promoting the use of the Collegiate Learning Assessment (CLA) instrument, which assesses the quality of undergraduate education by measuring colleges' and universities' impact on student learning associated with critical thinking, analytic reasoning, and written communication.

MDHE staff began working with institutional representatives and personnel from RAND's CAE to explore the potential of a Missouri pilot project on measuring value-added student learning. Over the past months institutions have been engaged in intensive conversations about the opportunities as well as limitations associated with the CLA instrument. At its February meeting, after hearing information about a potential Missouri/RAND pilot project on measuring value-added student learning, the board expressed its support for the department's initiative and encouraged all institutions to participate in the pilot project.

The Missouri Consortium on Measuring Value-Added Student Learning is an assemblage of like-minded yet diverse institutions working to achieve a common goal – that of establishing baseline data on the educational capital that each institution has added to the educational achievement of its students. To achieve this goal the Consortium, comprised of 30 independent and public two- and four-year institutions, has entered into negotiations with RAND to utilize the CLA instrument.

With leadership from the MDHE academic affairs unit, a ten-person negotiating team with representatives from each sector has been in discussion with RAND regarding project features such as sample size, grade-level of students to be tested, minimum data for RAND, and cost.

The negotiating team is sending an initial report to the Consortium with its recommendations for monetary commitments of \$2,000 per institution. The Consortium hopes to raise \$50,000 - \$60,000 for the project; RAND will support the Consortium's efforts by providing an additional \$50,000. When internal funding has been set, DHE and RAND will conduct a gap analysis to determine the remaining funds needed to complete the project. Originally, the project had Missouri institutions completing a one-year pilot project and receiving one-time institutional-level results from RAND. As a result of intensified discussions between Missouri and RAND, options for a truly collaborative multi-year project supported by external funding are now also being considered.

It is expected that the Consortium and RAND/CAE will reach agreement this summer on the costs associated with the pilot project, and the pilot will commence with a first round of testing during the fall semester. To subsidize the costs of the project, RAND/CAE and the Consortium's negotiating team are engaged in drafting a concept paper that will be used as a basis for seeking external funding.

Conclusion

The Missouri/RAND pilot project on Measuring Value-Added Student Learning is being designed so institutions are better able to demonstrate their contributions to student learning associated with critical thinking, analytic reasoning, and written communication, as well as improve student learning over time. By involving a consortium of diverse institutions, Missouri has increased its attractiveness to RAND. Members of the Missouri Consortium have raised several important questions, e.g., the diagnostic utilization of results at the student level, the application of the CLA instrument to different types of students, the relationship of CLA testing to assessment of 42-hour block of credit in Missouri's transfer policy, that have sparked interest by RAND to consider additional agendas for the way CLA might evolve.

Measuring value-added student learning is one component of an institution's involvement in quality processes that emphasize performance excellence. The establishment of a Missouri/RAND partnership that results in a pilot project on measuring value-added student learning will serve to inform statewide assessment policy as well as institutional practices. Ultimately, Missouri has the potential to become a national leader by designing a value added student learning model that serves multiple purposes but is driven primarily by an emphasis on continuous quality improvement in teaching and learning.

STATUTORY REFERENCE

Section 173.005.2(7), RSMo, CBHE statutory responsibility for gathering data from state-supported institutions

RECOMMENDED ACTION

This is a discussion item only

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

FY 2005 Budget Update
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

The attachment contains the FY 2005 Truly Agreed to and Finally Passed budget for the Department of Higher Education (DHE).

STATUTORY REFERENCE

Chapter 173, RSMo, Chapter 33.210 – 33.290, Chapter 163.191, RSMo

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

FY 2005 Budget Summary

FY 2005 - Administration

	FY 2004 Core Budget	FTE	FY 2005 CBHE Recommendation	FTE	FY 2005 Gov Recommendation	FTE	FY 2005 TAFP	FTE	FY 2005 TAFP % Change from FY 2004 Core	FTE
Coordination Admin - Core	789,095	14.35	789,095	14.35	788,605	14.35	788,605	14.35	-0.06%	0%
Proprietary - Core	155,622	2.60	155,622	2.60	155,622	2.60	155,622	2.60	0%	0%
Grant/Schol. Admin - Core	275,951	4.95	275,951	4.95	275,416	4.95	275,416	4.95	-0.19%	0%
Cost of Living Salary Adj.	N/A		N/A		18,991		26,280		N/A	
Proprietary Bond Fund	100,000		100,000		100,000		100,000		0%	
MHEC	82,500		82,500		82,500		82,500		0%	
Mo Learners' Network	410,800		0		0		0		-100%	
Anatomical Board	3,069		3,069		3,069		3,069		0%	
Eisen./Teacher Quality - Core	1,775,225	1.00	1,775,225	1.00	1,775,225	1.00	1,775,225	1.00	0%	0%
Cost of Living Salary Adj.	N/A		N/A		1,137		1,200		N/A	
New Federal/Other Grants	2,000,000		2,000,000		2,000,000		2,000,000		0%	
TOTAL	5,592,262	22.90	5,181,462	22.90	5,200,565	22.90	5,207,917	22.90	-7%	0%

[FY 2005 - Financial Assistance and Outreach]

	FY 2004 Core Budget	FTE	FY 2005 CBHE Recommendation	FTE	FY 2005 Gov Recommendation	FTE	FY 2005 TAFP	FTE	FY 2005 TAFP % Change from FY 2004 Core	FTE
Academic Scholarship (Bright Flight)	15,787,000		15,787,000		15,787,000		15,787,000		0%	
Gallagher Scholarship Program	16,628,436		16,628,436		16,628,436		16,628,436		0%	
College Guarantee Program	8,385,000		8,385,000		8,385,000		8,385,000		0%	
Advantage Missouri Program	629,000		200,000		200,000		164,825		-74%	
Public Service Grant Program	38,250		60,710		60,710		60,710		59%	
Vietnam Survivor Program	10,200		33,570		33,570		83,570		719%	
Marguerite Ross Barnett Program	425,000		425,000		425,000		425,000		0%	
GEAR UP - Core	1,704,612	6.50	1,664,612	5.50	1,664,612	5.50	1,664,612	5.50	-2%	-15%
Cost of Living Salary Adjustment	N/A		N/A		4,251		6,600		N/A	
TOTAL	43,607,498	6.50	43,184,328	5.50	43,188,579	5.50	43,205,753.00	5.50	-1%	-15%

[FY 2004 Supplemental - Financial Assistance and Outreach]

	Gov Recommendation	House Recommendation	Senate Recommendation	FY04 Supplemental TAFP
FY04 Public Service Grant Program	22,460	22,460	22,460	22,460
FY04 Vietnam Survivor Program	23,370	23,370	23,370	23,370

FY 2005 - Missouri Student Loan Program

	FY 2004 Core Budget	FTE	FY 2005 CBHE Recommendation	FTE	FY 2005 Gov Recommendation	FTE	FY 2005 TAFP	FTE	FY 2005 TAFP % Change from FY 2004 Core	FTE
Loan Program Admin - Core	13,006,761	59.33	12,183,607	56.83	12,183,607	56.83	12,183,607	56.83	-6%	-4%
E-Gov't - Core	485,400	6.00	431,808	4.50	431,808	4.50	431,808	4.50	-11%	-25%
Cost of Living Salary Adjustment	N/A		N/A		48,421		73,596		N/A	
Loan Program Revolving Fund and Other Loan Funds	100,750,001		98,750,000		98,750,000		98,750,000		-2%	
TOTAL	114,242,162	65.33	111,365,415	61.33	111,413,836	61.33	111,439,011	61.33	-2%	-6%

FY 2004 Supplemental - Missouri Student Loan Program

FY04 Loan Program Administration

Gov Recommendation	500,000
House Recommendation	250,000
Senate Recommendation	250,000
FY04 Supplemental TAFP	250,000

FY 2005 - All Institutions

	FY 2004 Core Budget	FY 2005 CBHE Recommendation	FY 2005 Gov Recommendation	FY 2005 TAFP	FY 2005 TAFP % Change from FY 2004 Core
<u>Community Colleges</u>					
Crowder	4,222,071	4,222,071	4,465,449	4,523,271	7.13%
East Central	5,128,536	5,128,536	5,424,168	5,251,463	2.40%
Jefferson	7,524,940	7,524,940	7,958,711	7,705,307	2.40%
Metropolitan	31,262,271	31,262,271	33,064,367	32,011,603	2.40%
Mineral Area	4,930,197	4,930,197	5,214,395	5,048,370	2.40%
Moberly	4,705,113	4,705,113	4,976,336	4,817,891	2.40%
North Central	2,433,790	2,433,790	2,574,084	2,492,126	2.40%
Ozark Technical	8,955,085	8,955,085	9,471,295	9,169,731	2.40%
St. Charles	6,525,711	6,525,711	6,525,711	6,682,127	2.40%
St. Louis	44,952,394	44,952,394	47,543,648	46,029,867	2.40%
State Fair	5,227,354	5,227,354	5,528,682	5,352,867	2.40%
Three Rivers	4,154,091	4,154,091	4,254,359	4,253,661	2.40%
Sub Total	130,021,553	130,021,553	137,001,205	133,338,284	2.55%
Tax Refund Offset	250,000	250,000	250,000	250,000	0.00%
TOTAL	130,271,553	130,271,553	137,251,205	133,588,284	2.55%
<u>State Technical College</u>					
Linn State Technical College	4,433,887	4,433,887	4,689,475	4,540,164	2.40%
Tax Refund Offset	30,000	30,000	30,000	30,000	0.00%
TOTAL	4,463,887	4,463,887	4,719,475	4,570,164	2.38%
<u>Four-year Institutions</u>					
Missouri Southern	20,373,791	20,373,791	20,373,791	21,112,134	3.62%
Missouri Western	20,084,703	20,084,703	20,084,703	20,766,117	3.39%
Central Missouri	52,567,478	52,567,478	55,597,699	53,827,478	2.40%
Southeast Missouri	42,805,983	42,805,983	45,273,509	43,832,008	2.40%
Southwest Missouri	77,757,193	77,757,193	80,294,626	80,295,971	3.27%
Northwest Missouri	29,167,319	29,167,319	29,167,319	29,866,436	2.40%
Truman State	39,813,848	39,813,848	42,108,894	40,768,154	2.40%
Lincoln University	16,360,445	16,360,445	17,298,105	16,752,592	2.40%
Harris-Stowe	9,581,032	9,581,032	10,133,324	9,810,682	2.40%
University of Missouri	388,738,932	388,738,932	411,147,559	400,819,361	3.11%
Sub Total	697,250,724	697,250,724	731,479,529	717,850,933	2.95%
Tax Refund Offset	875,000	875,000	875,000	875,000	0.00%
TOTAL	698,125,724	698,125,724	732,354,529	718,725,933	2.95%

FY 2005 - UM Related

	FY 2004 Core Budget	FY 2005 CBHE Recommendation	FY 2005 Gov Recommendation	FY 2005 TAFP	FY 2005 TAFP % Change from FY 2004 Core
Ellis Fischel Cancer Center	4,223,786	0 *	0	0	-100%
Hospitals and Clinics	8,911,671	13,135,457	13,135,457	13,135,457	47%
State Historical Society	922,601	922,601	922,601	922,601	0%
Alzheimer's Program	227,375	227,375	227,375	227,375	0%
Mo Rehabilitation Center	10,116,691	10,116,691	10,116,691	10,116,691	0%
State Seminary Funds	1,750,000	1,750,000	1,750,000	1,750,000	0%
Missouri Institute of Mental Health	2,299,850	2,299,850	2,299,850	2,299,850	0%
Mo Kidney Program	4,016,774	4,016,774	4,016,774	4,016,774	0%
Spinal Cord Injury Research	375,000	375,000	375,000	375,000	0%
MOREnet	15,004,401	15,004,401	15,004,401	14,504,401	-3%
MOBIUS	649,539	649,539	649,539	649,539	0%
TOTAL	48,497,688	48,497,688	48,497,688	47,997,688	-1%

* Combined with Hospitals and Clinics appropriation.

AGENDA ITEM SUMMARY

AGENDA ITEM

Final Summary of Legislation-Second Regular Session, 92nd General Assembly
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

Attached is the final bill status report on legislation impacting higher education for the Second Regular Session of the 92nd General Assembly.

STATUTORY REFERENCE

Chapter 173, RSMo, Department of Higher Education

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Final Summary of Higher Education Related Legislation

Final Summary of Higher Education Legislation
Second Regular Session, 92nd General Assembly
as of May 17, 2004

Text in **BOLDFACE** indicates bills Truly Agreed to and Finally Passed.

Bill Number	Sponsor	Description	Status
<u>CCS/HS/HCS/S CS/SB 968</u>	Shields	Revises various elementary and secondary education provisions and includes removal of age restriction for admission of students at the University of Missouri	Truly Agreed to and Finally Passed 05/14/04
<u>CCS/HS/HCS/S CS/SB 1020, 889 & 869</u>	Steelman	Revises provisions of Sunshine Law and includes provision requiring public colleges and universities to disclose private sources and amounts donated for chancellor and president salaries	Truly Agreed to and Finally Passed 05/14/04
<u>HCS/SB 1080</u>	Nodler	Revises various elementary and secondary education provisions and includes establishing new qualifications for the Board of Governors of Missouri Southern State University-Joplin	Truly Agreed to and Finally Passed 04/27/04
<u>HCS/SCS/SB 1091</u>	Klindt	Excludes capital appropriations from annual appropriations for community college maintenance and repair funds	Truly Agreed to and Finally Passed 05/07/04
<u>HS/SCS/SB 1155</u>	Cauthorn	Revises various economic development provisions and includes the Community College Retained Jobs Training Program	Truly Agreed to and Finally Passed 05/13/04
<u>HCS/SB 1274</u>	Shields	Establishes the Missouri Area Health Education Centers Program	Truly Agreed to and Finally Passed 05/12/04
<u>SB 1302</u>	Champion	Allows the Southwest Missouri State University Board of Governors to convey land	Truly Agreed to and Finally Passed 05/06/04
<u>CCS#2/SCS/HC S/HB 959</u>	Luetkemeyer	Creates the Missouri Higher Education Deposit Program, revises banking laws and modifies identity theft	Truly Agreed to and Finally Passed 05/13/04
<u>HB 1613</u>	Morris	Allows the Southwest Missouri State University Board of Governors to convey land	Truly Agreed to and Finally Passed 05/07/04
<u>SB 702</u>	Russell	Requires University of Missouri Board of Curators to make policy decisions by means of a roll-call vote	To Senate Education 01/15/04
<u>SS/SCS/SB 714 & 761</u>	Kinder	Changes name of Southwest Missouri State University to Missouri State University, increases board from 8 to 10 members, MSU to not duplicate research and land grant mission of UM, offer only cooperative engineering programs and research-based doctoral programs with UM, may offer professional doctoral programs that do not duplicate UM's with CBHE approval, not duplicate existing first professional programs at UM without determination of need by	Senate Perfected 02/03/04

		CBHE, changes name of Central Missouri State University to University of Central Missouri	
SB 721	Jacob	Repeals loss limit, creates educational job retraining fund to provide training and tuition assistance to qualifying Missouri residents, and seeks to increase College Guarantee and Bright Flight funding	To Senate Ways and Means 01/08/04, Heard 02/17/04
SB 723	Jacob	Establishes faculty representatives on the governing boards of public 4-year colleges and universities	To Senate Education 01/08/04
SB 724	Bland	Establishes accreditation of charter schools	To Senate Education 01/08/04, Heard 04/06/04
SS/SCS/SB 755	Shields	Changes name of Missouri Western State College to Missouri Western State University, removes age restriction for admission of students at the University of Missouri, limits use of A+ Program funds at four-year higher education institutions, permits certain private vocational and technical schools to receive A+ reimbursements, transfers Northwest Missouri State University to the University of Missouri, requires UM to submit 3-year plan to the CBHE regarding merger, changes name of Harris-Stowe State College to Harris-Stowe State University, changes name of Central Missouri State University to University of Central Missouri	To Senate Pensions and General Laws 01/08/04, Heard 01/13/04, SCS voted do pass 01/21/04, Senate Informal Perfection Calendar 05/14/04
SB 761	Champion	Changes name of Southwest Missouri State University to Missouri State University	Combined with SB 714 01/21/04
SB 765	Bartle	Prohibits individuals from engaging in or using public funds and facilities for human cloning	To Senate Judiciary and Civil & Criminal Jurisprudence 01/08/04, Heard 01/12/04
SB 768	Nodler	Establishes new qualifications for the Board of Governors of Missouri Southern State University-Joplin	To House Education 04/01/04, Heard 04/21/04
SCS/SB 780	Caskey	Freezes tuition rates for Missouri undergraduates from the time they enter college until they graduate (SCS: provision applies only to 4-year institutions)	To Senate Education 01/08/04, Heard 01/20/04, voted do pass 02/05/04
SB 816	Dougherty	Allows foster children to receive a tuition and fee waiver to attend higher education institutions	To Senate Education 01/12/04
SB 858	Klindt	Prohibits A+ Program funds from being issued to any four-year higher education institution	To Senate Education 01/12/04
SB 879	Bland	Establishes the General Assembly Scholarship Program funded by a nonresident earnings tax	To Senate Ways and Means 01/12/04, Heard 04/06/04
SB 926	Loudon	Authorizes the Joint Committee on Wagering and Gaming to solicit bids for university study of pathological gambling	To Senate Financial and Governmental Orgs 01/15/04, Heard 02/09/04, voted do pass 02/10/04
SB 933	Yeckel	Creates a second college savings program, the Missouri Higher Education Deposit	To Senate Financial and Governmental Orgs

		Program, and allows income tax deductions for 529 programs other than MO\$T	01/15/04, Heard 02/02/04, voted do pass 02/10/04, Senate Informal Perfection Calendar 05/14/04
SB 967	Shields	Changes definition of eligible private institutions for participation in the Charles Gallagher Student Financial Assistance Program and makes changes to the Nursing Student Loan Program	To Senate Education 01/15/04, Heard 02/17/04
SB 975	Dougherty	Permits certain private vocational and technical schools to receive A+ reimbursements	To Senate Education 01/15/04, Heard 03/09/04
SB 978	Stoll	Establishes the Collaborative for Applied Experiences in Science (CAES) program	To Senate Education 01/15/04, Heard 03/02/04
SB 979	Stoll	Establishes the Missouri Statewide Initiative for Scientific Education Enhancement (MOSISE) program	To Senate Education 01/15/04, Heard 03/02/04
SB 995	Coleman	Changes name of Harris-Stowe State College to Harris-Stowe University	To Senate Pensions and General Laws 01/15/04
SCS/SB 1038	Yeckel	Revises banking laws and creates the Missouri Higher Education Deposit Program	To House Financial Services 03/04/04, Heard 04/06/04, voted do pass 04/20/04, House Calendar for Third Reading of Senate Bills 05/14/04
SB 1052	Jacob	Removes age restriction for admission of students at the University of Missouri	To House Special Committee on General Laws 03/09/04, Heard 04/06/04
SB 1072	Dougherty	Establishes the Hope Scholarship Program	To Senate Education 01/26/04, Heard 02/10/04
SB 1082	Childers	Creates the Division of Network Efficiency within the Office of Administration and creates the State Communications Commission to focus on the state's communications/telecommunications policies	To Senate Economic Development, Tourism & Local Govt 02/05/04, Heard 02/11/04
SB 1101	Steelman	Provides that the president of the University of Missouri shall not serve as the chancellor of any campus in the system	To Senate Education 02/04/04, Heard 03/02/04
SB 1109	Coleman	Allows eligible nonimmigrant aliens to receive in-state tuition at Missouri higher education institutions	To Senate Education 02/04/04, Heard 04/27/04
SB 1110	Coleman	Changes name of Harris-Stowe State College to Harris-Stowe State University	To Senate Pensions and General Laws 01/29/04, Heard 02/17/04
SB 1112	Clemens	Allows community college board of trustees to forego an election if the number of candidates filed is equal to the number of open positions	Senate Defeated 03/18/04
SB 1180	Shields	Allows the Missouri Development Finance Board to create life science funding districts	To Senate Economic Development, Tourism & Local Govt 02/05/04, Heard 02/18/04, Senate Informal Perfection Calendar 05/14/04
SS/SCS/SB	Kinder	Authorizes the Board of Public Buildings to	To Senate Appropriations

1221 & 1305		issue bonds in amount of \$372.5 million for construction and renovation projects at higher education institutions	02/05/04, Heard 03/03/04, Heard 03/10/04, combined with SB 1305 and voted do pass 03/29/04, Senate Third Reading Calendar 05/14/04
SCS/SB 1227	Russell	Authorizes the issuance of bonds for construction and renovation projects at public higher education institutions	To Senate Appropriations 02/09/04, Heard 03/03/04, Heard 03/10/04, voted do pass 03/29/04, Senate Informal Perfection Calendar 05/14/04
SCS/SB 1234	Mathewson	Implements the Jobs Now initiative	To Senate Economic Development, Tourism & Local Govt 02/10/04, Heard 02/18/04, voted do pass 03/03/04, Senate Informal Perfection Calendar 05/14/04
SB 1295	Klindt	Transfers Northwest Missouri State University to the University of Missouri	To Senate Pensions & General Laws 03/01/04, Heard 03/09/04
SB 1305	Champion	Authorizes the issuance of bonds for higher education construction and renovation projects	Combined with SB 1221 03/29/04
SB 1309	Stoll	Provides social security number protections at public higher education institutions	To Senate Education 03/01/04, Heard 03/16/04
SB 1339	Callahan	Allows private higher education institutions to sponsor charter schools	To Senate Education 03/04/04
SB 1352	Stoll	Establishes alternative charter schools	To Senate Education 03/04/04
SB 1367	Yeckel	Makes certain students eligible for in-state tuition regardless of immigration status	To Senate Education 03/04/04, Heard 04/27/04
SB 1387	Dolan	Adds one voting student board member to the boards of Southeast Missouri State University, Missouri Western State College, Harris-Stowe State College, Northwest Missouri State University, Central Missouri State University, Missouri Southern State University-Joplin, Southwest Missouri State University, Truman State University, Lincoln University, and Linn State Technical College	To Senate Education 03/08/04, Heard 03/16/04, voted do pass 04/06/04
SB 1389	Dolan	Provides social security number protections at public higher education institutions	To Senate Education 03/08/04, Heard 03/16/04, voted do pass 04/06/04
SCR 31	Vogel	Allows the University of Missouri Curators to enter into a long-term ground lease for the purpose of constructing a hotel/convention center at UMC	To Senate Rules, Joint Rules, Resolutions & Ethics 01/27/04
SCR 38	Vogel	Allows the University of Missouri Curators to enter into a long-term ground lease for the purpose of constructing a hotel/convention center at UMC	To Senate Rules, Joint Rules, Resolutions & Ethics 02/24/04, Heard 03/11/04, voted do pass 03/18/04
SCR 40	Steelman	Allows the University of Missouri Curators to enter into a long-term ground lease for the purpose of constructing a student residential	To Senate Rules, Joint Rules, Resolutions & Ethics 02/24/04

		facility at UMR	
HB 767	Schaaf	Changes name of Missouri Western State College to Missouri Western State University	To House Education 01/29/04, Heard 03/03/04
HB 773	Icet	Removes age restriction for admission of students at the University of Missouri	To Senate Pensions and General Laws 04/23/04, Heard 05/04/04, voted do pass 05/05/04
HCS/HB 777	Marsh	Changes name of Southwest Missouri State University to Missouri State University, increases board from 8 to 10 members, MSU to not duplicate research and land grant mission of UM, offer only cooperative engineering programs and research-based doctoral programs with UM, may offer professional doctoral programs that do not duplicate UM's with CBHE approval, not duplicate existing first professional programs at UM without determination of need by CBHE, changes name of Central Missouri State University to University of Central Missouri	House Third Read and defeated 02/11/04
HB 816	Walker	Allows American Sign Language courses to be regarded as a foreign language course offered for academic credit	To House Education 01/29/04
HB 825	Wildberger	Changes name of Missouri Western State College to Missouri Western State University	To House Education 02/05/04
HB 860	Rupp	Allows students seeking theology or divinity degrees to participate in certain state higher education financial assistance programs	To House Education 01/15/04
HB 885	Wilson, K.	Prohibits public institutions or any entities receiving state funds from adopting discrimination policies that exceed state and federal protections against discrimination.	To House Workforce Development and Workplace Safety 01/29/04, Heard 03/31/04, voted do pass 03/31/04
HB 954	Crowell	Governor to appoint president and vice-president of CBHE, as well as boards of certain public higher education institutions	To House Elections 01/15/04
HCS/HB 957	Cunningham, M.	Creates a War on Terror survivors scholarship program	To House Homeland Security & Veterans Affairs 02/05/04, Heard 02/17/04, voted do pass 02/24/04, House Perfection Calendar 05/14/04
HB 1033	Viebrock	Allows community college board of trustees to forego an election if the number of candidates filed is equal to the number of open positions	To House Education 01/15/04, Heard 02/04/04, voted do pass 02/18/04
HB 1048	Parker	Excludes capital appropriations from annual appropriations for community college maintenance and repair funds	To Senate Education 04/05/04, Heard 04/13/04, voted do pass consent 04/13/04, Senate Consent Calendar 05/14/04
HB 1137	Rupp	Amends the A+ Schools program to make provisions for repayment of federal Stafford loans for tuition, fees and books	To House Education 02/05/04
HB 1138	Rupp	Amends the A+ Schools program to make provisions for repayment of federal Stafford	To House Education 01/29/04

		loans for tuition and fees, and includes all state four-year institutions of higher education	
HB 1147	Stevenson	Establishes new qualifications for the Board of Governors of Missouri Southern State University-Joplin	To House Education 01/29/04
HB 1151	Lembke	Prohibits individuals from engaging in or using public funds and facilities for human cloning	To House Health Care Policy 01/29/04, Heard 04/13/04
HB 1169	Luetkemeyer	Provides social security number protections at public higher education institutions	To House Financial Services 01/29/04, Heard 02/24/04, voted do pass 03/02/04
HB 1242	Fares	Requires 4-year colleges or universities to accept transfer credit for all college-level courses applicable to an associate of arts degree at public 2-year institutions	To House Education 02/05/04
SCS/HS/HB 1409	Richard	Establishes enterprise zones in any qualifying area and includes provisions for creating the Community College Retained Jobs Training Program and implements the Jobs Now initiative	To Senate Economic Development, Tourism and Local Govt 04/23/04, Heard 04/28/04, voted do pass 04/29/04, To Senate Governmental Accountability & Fiscal Oversight 05/05/04, Senate Informal Perfection Calendar 05/14/04
HB 1417	Baker	Requires that one voting board member of the University of Missouri, Southwest Missouri State University and Truman State University be a student	To House Education 02/26/04
HB 1421	Dempsey	Creates the Community College Retained Jobs Training Program	To House Job Creation and Economic Development 02/12/04, Heard 02/25/04, voted do pass 03/17/04
HB 1426	Pearce	Exempts from state income tax the first three years of income earned by any person who completes a masters or doctoral degree from any Missouri public or private institution	To House Job Creation and Economic Development 02/12/04
HB 1498	Schneider	Permits certain private vocational and technical schools to receive A+ reimbursements	To House Education 02/26/04, Heard 03/03/04, voted do not pass 04/14/04
HB 1506	Reinhart	Allows eligible nonimmigrant aliens to receive in-state tuition at Missouri higher education institutions	To House Education 02/26/04
HB 1513	Crowell	Provides that all state college and university diplomas shall contain the words "in the year of our Lord", "Anno Domini", or "A.D." within the date	To House Education 02/26/04
HB 1537	Graham	Repeals loss limit, increases gross receipts tax on gaming boats, increases boarding fee, and removes the non-resident tax deduction on state income taxes to provide funding for capital projects at the public four-year higher education institutions, additional scholarships, endowed life science chairs at	To House Tax Policy 03/18/04

		UM, and core restoration to FY 2002 levels for the colleges and universities and CBHE	
HB 1589	Hanaway	Authorizes the issuance of bonds for construction and renovation projects at the University of Missouri	To House Special Committee on Bonding Authority 03/11/04
HB 1658	Jones	Changes name of Harris-Stowe State College to Harris-Stowe State University	To House Education 03/11/04
HB 1671	Hanaway	Authorizes the president of any public university in this state to present to the life sciences research board financial commitments on behalf of the university to fund an endowed life sciences research chair academic position	To House Special Committee on General Laws 03/30/04, Heard 04/06/04, voted do pass 04/15/04, House Perfection Calendar 05/14/04
HB 1672	Stevenson	Provides that college-owned book stores may not provide credit or financial aid for books at official store without providing for the use of credit or financial aid at non-affiliated book stores.	To House Education 04/01/04
HB 1674	Smith, J.	Freezes tuition rates for Missouri undergraduates from the time they enter college until they graduate	To House Education 04/08/04
HB 1710	Lager	Transfers Northwest Missouri State University to the University of Missouri	To House Education 04/15/04, Heard 04/21/04
HB 1753	Sager	Establishes scholarship programs for community college students and graduates	To House Education 04/29/04
HB 1759	Sager	Allows teachers and administrative staff of public schools and institutions of higher education to hold public office at the same time as their school job	To House Education 05/11/04
HCR 31	Holand	Urges all public schools and institutions of higher education to review the proper etiquette and respect for the American Flag and National Anthem for students participating in school programs	To House Education 04/15/04
HCR 37	Townley	Allows the University of Missouri Curators to enter into a long-term ground lease for the purpose of constructing a hotel/convention center at UMC	To House Corrections & State Institutions 04/27/04, voted do pass 05/06/04
HR 1547	Morris	Recommends that certain principles and procedures be observed at all public and private colleges and universities	To House Education 04/15/04, Heard 04/28/04

AGENDA ITEM SUMMARY

AGENDA ITEM

State Student Financial Assistance Programs, FY 2004
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

The Coordinating Board for Higher Education has the statutory responsibility to administer the following state student financial assistance programs:

- Advantage Missouri Program
- Charles Gallagher Student Financial Assistance Program
- Marguerite Ross Barnett Memorial Scholarship Program
- Missouri College Guarantee Program
- Missouri Higher Education Academic Scholarship Program

These programs provide a valuable financial resource for eligible Missouri residents to have an opportunity to access an approved Missouri postsecondary institution of their choice. The attached table indicates the actual distribution of awards during FY 2004 for these five major state student assistance programs. The table displays the total number of students receiving awards and the dollars awarded at each institution.

As a matter of clarification, the Advantage Missouri Program statute includes provisions that allow a number of private career schools, which are incorporated as for profit, to participate in the state loan and loan forgiveness program. Therefore, the private career schools listed on the attached table only have students receiving awards under the Advantage Missouri Program. Participation in the other state grant and scholarship programs requires institutions to be incorporated as not-for-profit.

Following is a brief description of each program.

Missouri Higher Education Academic Scholarship Program, also known as the Bright Flight Scholarship Program.

The Bright Flight Scholarship Program was originally created by the 1986 Missouri General Assembly to attract and encourage outstanding high school seniors to attend full-time at a Missouri college or university of their choice. The Bright Flight scholarship is the state's largest merit-based scholarship program. To be eligible for initial scholarships, a high school senior must achieve a composite score on the American College Testing Program (ACT) or the Scholastic Aptitude Test (SAT) assessment in the top three (3) percent of all Missouri students taking those tests. Currently, approximately 70 percent of the Missouri high school seniors who

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achieve the initial eligibility criteria are receiving the “Bright Flight” scholarship while attending a Missouri institution. In 1987, the first year that “Bright Flight” scholarships were awarded, only 64 percent of the eligible high school seniors received the scholarship award to attend a Missouri institution.

Charles Gallagher Student Financial Assistance Program

The Charles Gallagher Student Financial Assistance Program has been providing financial assistance to eligible Missouri citizens attending approved Missouri postsecondary institutions for 30 years. The Gallagher Program, the state’s original need-based student assistance program, awards grants to full-time students who demonstrate financial need. Following the Federal Needs Analysis Formula, which is reviewed by Congress every five (5) years, the MDHE determines the student’s financial need.

Gallagher Program funding consists of state general revenue appropriations, federal appropriations from the Leveraging Educational Assistance Partnership (LEAP) and Special Leveraging Educational Assistance Partnership (SLEAP) Programs, and private sources such as the Allan Purdy Fund from the Missouri Higher Education Loan Authority.

Marguerite Ross Barnett Memorial Scholarship Program

The Marguerite Ross Barnett Memorial Scholarship Program provides need-based scholarships to Missouri residents who are enrolled part-time at approved Missouri postsecondary institutions and are employed and compensated for 20 or more hours per week. This program is the only state student assistance program that is available to students who are enrolled part-time. Part-time enrollment is defined as at least half-time but less than full-time. The maximum scholarship award is the actual tuition or fees charged at the institution the student is attending or no more than the amount of fees charged at the University of Missouri-Columbia.

Missouri College Guarantee Program

The Missouri College Guarantee Program provides scholarships to eligible Missouri residents attending approved Missouri postsecondary institutions. The scholarship awards are based on high school academic achievement and demonstrated financial need as defined by statute. The maximum award cannot exceed the amount of fees charged to a full-time student at the University of Missouri campus with the largest enrollment and a standard book allowance determined annually by the department less any other federal or state need-based non-repayable student financial assistance, including A-Plus financial incentives. The maximum scholarship award during the 2003-2004 academic year was \$5,400.

Advantage Missouri Program

This loan and loan forgiveness program provides \$2,500 maximum loan awards to eligible Missouri residents who are enrolled in designated academic programs of instruction at approved Missouri postsecondary institutions that prepare them for employment in designated high demand occupational areas in Missouri. Upon program or degree completion in a designated

academic program, the Advantage Missouri Program allows a student recipient the opportunity to have one year of loans forgiven for each year of employment in Missouri in a designated high demand occupation. Based on the amount of Advantage Missouri funds appropriated by the Missouri General Assembly and the governor, only renewal students were considered for awards during the 2003-2004 academic year. As a result, only 123 renewal students were funded during the 2003-2004 academic year.

In addition to the five major programs, the board also has the statutory responsibility to administer two small survivor grant programs that are not included in the attached table. Those programs are the Public Service Officer or Employee's Child Survivor Grant Program and the Vietnam Veteran's Survivor Grant Program.

The Public Service Officer or Employee's Child Survivor Grant Program provides tuition grants to public safety officers or Missouri Department of Transportation employees engaged in the construction or maintenance of the state's highways, roads, and bridges who were permanently and totally disabled in the line of duty. Dependent children and spouses of public safety officers or Missouri Department of Transportation employees who were permanently and totally disabled or killed in the line of duty also are eligible. For the 2003-2004 academic year 12 students were funded totaling \$35,843.

The Vietnam Veteran's Survivor Grant Program is available to children and spouses of Vietnam Veterans whose death was attributed to, or caused by, exposure to toxic chemicals during the Vietnam conflict. Eight students totaling \$23,472 were funded for the 2003-2004 academic year.

During the 2003-2004 academic year we experienced for the first time a funding shortfall for spring 2004 awards for the College Guarantee and Charles Gallagher Programs. The shortfall in the Missouri College Guarantee Program was the result of timing issues with revenue projections for the Gaming Commission transfer. In the Charles Gallagher Program the actual annual expenditures exceeded staff's projections. To avoid this in the future staff will be evaluating existing policy and process when determining awards for both programs. For example one issue that will be reviewed is that when final awards are determined a certain percentage of the program's appropriation be held in reserve.

Furthermore, one of the improvement projects for this year is the state program award delivery process. This project team will provide an opportunity to address these types of administrative issues for all state programs.

STATUTORY REFERENCE

Section 173.200, RSMo, Charles Gallagher Student Financial Assistance Program
Section 173.235, RSMo, Vietnam Veteran's Survivor Grant Program
Section 173.250, RSMo, Missouri Higher Education Academic Scholarship Program
Section 173.260, RSMo, Public Service Officer or Employee's Child Survivor Grant Program
Section 173.262, RSMo, Marguerite Ross Barnett Memorial Scholarship Program
Section 173.775, RSMo, Advantage Missouri Program
Section 173.810, RSMo, Missouri College Guarantee Program

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RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Missouri Student Financial Assistance Programs, FY 2004 Payment Table

MISSOURI STUDENT FINANCIAL ASSISTANCE PROGRAMS

2003-2004 Actual Payment Table as of May 14, 2004

	"Bright Flight"		Charles Gallagher		Marguerite		Advantage		Totals				
	Scholarship Program	Students	Dollars	Assistance Program	Financial	Scholarship Program	Ross Barnett Memorial	Missouri Program	Guarantee Program	Students	Dollars		
PUBLIC FOUR-YEAR COLLEGES													
Harris-Stowe State College	0	\$0		22	\$16,530	2	\$2,210	0	\$0	17	\$23,472	41	\$42,212
Missouri Southern State College	76	\$140,000		78	\$87,161	1	\$1,270	0	\$0	43	\$69,740	198	\$298,171
Missouri Western State College	44	\$82,000		152	\$196,500	10	\$21,613	0	\$0	69	\$117,130	275	\$417,243
Sector Subtotal	120	\$222,000		252	\$300,191	13	\$25,093	0	\$0	129	\$210,342	514	\$757,626
COMPREHENSIVE UNIVERSITIES													
Central Missouri State University	202	\$388,000		107	\$144,000	3	\$4,980	4	\$7,500	128	\$183,312	444	\$727,792
Northwest Missouri State University	91	\$178,000		26	\$32,607	1	\$99	5	\$12,500	140	\$258,023	263	\$481,229
Southeast Missouri State University	194	\$355,000		150	\$181,760	8	\$15,532	4	\$9,754	250	\$526,577	606	\$1,088,623
Southwest Missouri State University	756	\$1,442,312		272	\$326,276	10	\$21,167	10	\$22,125	485	\$1,020,675	1,533	\$2,832,555
Southwest Missouri State University-West Plains	10	\$17,000		37	\$35,198	3	\$4,450	0	\$0	23	\$47,904	73	\$104,552
Sector Subtotal	1,253	\$2,380,312		592	\$719,840	25	\$46,228	23	\$51,879	1,026	\$2,036,491	2,919	\$5,234,750
STATEWIDE LIBERAL ARTS													
Truman State University	1,208	\$2,339,290		14	\$18,750	0	\$0	2	\$5,000	182	\$379,312	1,406	\$2,742,352
Sector Subtotal	1,208	\$2,339,290		14	\$18,750	0	\$0	2	\$5,000	182	\$379,312	1,406	\$2,742,352
1890 LAND-GRANT UNIVERSITY													
Lincoln University	3	\$5,000		41	\$50,706	0	\$0	0	\$0	27	\$41,574	71	\$97,280
Sector Subtotal	3	\$5,000		41	\$50,706	0	\$0	0	\$0	27	\$41,574	71	\$97,280
1862 LAND-GRANT													
University of Missouri-Columbia	2,535	\$4,858,091		435	\$564,438	1	\$2,268	31	\$68,864	986	\$2,360,498	3,988	\$7,854,159
University of Missouri-Kansas City	295	\$560,000		191	\$246,000	1	\$752	1	\$2,500	151	\$350,394	639	\$1,159,646
University of Missouri-Rolla	801	\$1,473,000		100	\$126,000	1	\$3,698	30	\$66,797	266	\$525,721	1,198	\$2,195,216
University of Missouri-St. Louis	158	\$281,000		406	\$506,250	114	\$267,751	3	\$7,000	110	\$195,438	791	\$1,257,439
Sector Subtotal	3,789	\$7,172,091		1,132	\$1,442,688	117	\$274,469	65	\$145,161	1,513	\$3,432,051	6,616	\$12,466,460
PUBLIC TWO-YEAR													
Crowder College	1	\$2,000		16	\$10,920	0	\$0	0	\$0	4	\$5,128	21	\$18,048
East Central College	12	\$19,000		19	\$8,736	0	\$0	0	\$0	11	\$15,676	42	\$43,412
Ozarks Technical Community College	16	\$22,000		66	\$36,540	7	\$6,138	0	\$0	41	\$61,524	130	\$126,202
Jefferson College	11	\$21,000		24	\$16,380	5	\$2,646	0	\$0	5	\$5,860	45	\$45,886

MISSOURI STUDENT FINANCIAL ASSISTANCE PROGRAMS
2003-2004 Actual Payment Table as of May 14, 2004

	"Bright Flight"		Charles Gallagher		Marguerite		Advantage		Missouri College		Totals
	Scholarship Program	Students	Dollars	Students	Dollars	Scholarship Program	Students	Dollars	Students	Dollars	
Metropolitan Community Colleges		38	\$65,000	68	\$39,188		3	\$2,100		\$0	\$133,538
Mineral Area College		6	\$10,000	35	\$12,338		0	\$0	20	\$27,250	\$133,538
Moberly Area Community College		5	\$6,000	65	\$39,513		2	\$1,785	20	\$25,450	\$47,788
St. Charles County Community College		20	\$35,000	10	\$5,063		0	\$0	20	\$25,038	\$72,336
St. Louis Community College		62	\$98,000	67	\$27,011		0	\$0	10	\$10,608	\$50,671
State Fair Community College		6	\$10,000	37	\$23,153		0	\$0	9	\$9,621	\$134,632
Three Rivers Community College		8	\$12,000	18	\$8,358		0	\$0	14	\$24,043	\$57,196
North Central Missouri College		1	\$2,000	21	\$14,708		4	\$3,402	19	\$22,063	\$42,421
Sector Subtotal		186	\$302,000	446	\$241,905		21	\$16,071	179	\$240,418	\$800,393
PUBLIC TWO-YEAR TECHNICAL COLLEGE											
Linn State Technical		3	\$4,000	14	\$18,000		0	\$0	1	\$1,425	\$23,425
Sector Subtotal		3	\$4,000	14	\$18,000		0	\$0	1	\$1,425	\$23,425
INDEPENDENT UNIVERSITIES											
Saint Louis University		423	\$809,000	1,828	\$2,546,567		3	\$7,589	166	\$274,005	\$3,637,161
Washington University		388	\$751,000	328	\$465,154		7	\$13,625	37	\$63,470	\$1,293,249
Sector Subtotal		811	\$1,560,000	2,156	\$3,011,721		10	\$21,214	203	\$337,475	\$4,930,410
OTHER INDEPENDENT FOUR-YEAR											
Avila College		12	\$21,000	179	\$237,750		0	\$0	16	\$29,915	\$291,165
Central Methodist College		8	\$15,000	424	\$579,375		0	\$0	53	\$87,320	\$681,695
Columbia College		23	\$43,000	815	\$683,794		9	\$19,172	57	\$84,856	\$833,322
Culver-Stockton College		8	\$16,000	236	\$332,250		1	\$2,141	34	\$57,685	\$408,076
Drury University		159	\$304,000	454	\$624,000		7	\$14,976	55	\$86,370	\$1,029,346
Fontbonne College		16	\$31,000	392	\$528,502		0	\$0	31	\$56,780	\$616,282
Hannibal-LaGrange College		20	\$39,000	103	\$135,000		0	\$0	25	\$57,204	\$231,204
Lindenwood University		105	\$201,000	1,120	\$1,398,500		0	\$0	79	\$117,085	\$1,716,585
Maryville University		46	\$88,000	478	\$670,859		9	\$22,358	41	\$82,570	\$863,787
Missouri Baptist College		19	\$38,000	151	\$195,501		1	\$2,040	16	\$20,085	\$255,626
Missouri Valley College		3	\$6,000	457	\$622,732		0	\$0	22	\$3,750	\$664,267
Park University		6	\$10,000	68	\$88,752		1	\$2,336	19	\$35,404	\$136,492
Rockhurst University		40	\$78,000	252	\$355,554		0	\$0	25	\$40,225	\$473,779
College of the Ozarks		18	\$33,000	221	\$287,256		8	\$18,097	2	\$3,670	\$342,023
Southwest Baptist University		71	\$137,000	341	\$468,943		0	\$0	69	\$117,042	\$722,985
Stephens College		8	\$16,000	94	\$133,439		0	\$0	8	\$17,875	\$167,314
Webster University		90	\$173,000	760	\$1,018,908		6	\$16,346	42	\$67,005	\$1,275,259
Westminster College		57	\$109,000	253	\$353,749		0	\$0	27	\$49,605	\$512,354

MISSOURI STUDENT FINANCIAL ASSISTANCE PROGRAMS

2003-2004 Actual Payment Table as of May 14, 2004

	"Bright Flight"		Charles Gallagher		Marguerite		Advantage		Missouri College		Totals
	Scholarship Program	Assistance Program	Student Financial	Scholarship Program	Ross Barnett Memorial	Scholarship Program	Missouri Program	Guarantee Program	Students	Dollars	
	Students	Dollars	Students	Dollars	Students	Dollars	Students	Dollars	Students	Dollars	
William Jewell College	120	\$216,100	345	\$470,813	3	\$5,838	0	\$0	37	\$57,295	\$750,046
William Woods University	16	\$30,000	162	\$219,221	0	\$0	0	\$0	12	\$17,675	\$266,896
Sector Subtotal	845	\$1,604,100	7,305	\$9,404,897	45	\$103,304	4	\$8,750	670	\$1,117,451	\$12,238,502
INDEPENDENT TWO-YEAR											
Cortey College	1	\$1,000	21	\$27,000	0	\$0	0	\$0	5	\$7,615	\$35,615
Wentworth Military Academy	0	\$0	20	\$22,500	0	\$0	0	\$0	1	\$990	\$23,490
Sector Subtotal	1	\$1,000	41	\$49,500	0	\$0	0	\$0	6	\$8,605	\$59,105
PRIVATE CAREER SCHOOLS											
DeVry University	0	\$0	0	\$0	0	\$0	4	\$8,750	0	\$0	\$8,750
Sanford Brown College	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
ITT Tech Institute	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Electronics Institute	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Missouri Tech	0	\$0	0	\$0	0	\$0	2	\$5,000	0	\$0	\$5,000
Springfield College	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Hickey School	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Vatterott College	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Sector Subtotal	0	\$0	0	\$0	0	\$0	6	\$13,750	0	\$0	\$13,750
INDEPENDENT INSTITUTIONS FOR ART & MUSIC											
Kansas City Art Institute	4	\$8,000	101	\$145,500	0	\$0	0	\$0	5	\$8,645	\$162,145
Sector Subtotal	4	\$8,000	101	\$145,500	0	\$0	0	\$0	5	\$8,645	\$162,145
PROFESSIONAL/TECHNICAL											
Boonslick Area Voc/Tech	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Lester L. Cox College of Nursing	1	\$1,000	104	\$125,250	2	\$7,589	0	\$0	13	\$25,027	\$158,866
Cleveland Chiropractic College	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Hannibal Area Vo- Tech School	0	\$0	23	\$22,449	0	\$0	0	\$0	0	\$0	\$22,449
Jewish Hospital College of Nursing	1	\$2,000	47	\$48,000	3	\$5,966	0	\$0	2	\$540	\$56,506
Hilliard Technical Center	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Texas County Technical Institute	0	\$0	8	\$12,000	3	\$12,228	0	\$0	0	\$0	\$24,228
Logan University	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	\$0
Northwest Technical School	0	\$0	5	\$7,500	0	\$0	0	\$0	0	\$0	\$7,500
Nichols Career Center	2	\$4,000	18	\$26,250	0	\$0	0	\$0	1	\$1,282	\$31,532
Pike & Lincoln Area Vo- Tech	0	\$0	5	\$6,000	0	\$0	0	\$0	0	\$0	\$6,000
Poplar Bluff Area Vo-Tech School	0	\$0	4	\$6,000	0	\$0	0	\$0	0	\$0	\$6,000

MISSOURI STUDENT FINANCIAL ASSISTANCE PROGRAMS

2003-2004 Actual Payment Table as of May 14, 2004

	"Bright Flight"		Charles Gallagher		Marguerite		Advantage		Missouri College		Totals	
	Scholarship Program		Student Financial Assistance Program		Ross Barnett Memorial Scholarship Program		Missouri Program		Guarantee Program			
	Students	Dollars	Students	Dollars	Students	Dollars	Students	Dollars	Students	Dollars		
Research College of Nursing	0	\$0	13	\$16,500	0	\$0	0	\$0	2	\$540	15	\$17,040
Rolla Technical Institute	0	\$0	9	\$11,008	0	\$0	0	\$0	0	\$0	9	\$11,008
St. Louis College of Pharmacy	34	\$68,000	156	\$217,265	0	\$0	23	\$57,500	30	\$45,970	243	\$388,735
Saline County Career Center	0	\$0	7	\$10,500	0	\$0	0	\$0	0	\$0	7	\$10,500
St. Luke's College	0	\$0	28	\$40,500	0	\$0	0	\$0	6	\$14,155	34	\$54,655
Gibson Technical Center	0	\$0	7	\$9,750	0	\$0	0	\$0	0	\$0	7	\$9,750
Southeast Mo Hospital School of Nursing	0	\$0	37	\$42,750	0	\$0	0	\$0	4	\$6,460	41	\$49,210
Four Rivers Area Vo-Tech School	0	\$0	1	\$750	0	\$0	0	\$0	0	\$0	1	\$750
Franklin Technology Center	1	\$2,000	24	\$33,000	0	\$0	0	\$0	1	\$475	26	\$35,475
Sikeston Career and Technology Center	0	\$0	24	\$35,250	0	\$0	0	\$0	1	\$1,282	25	\$36,532
Waynesville Area Vo-Tech School	0	\$0	8	\$12,000	0	\$0	0	\$0	0	\$0	8	\$12,000
Cape Girardeau Area Vo-Tech School	0	\$0	3	\$4,500	0	\$0	0	\$0	0	\$0	3	\$4,500
Carrollton Area Career Center	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Lex La-Ray Area Vo-Tech School	0	\$0	8	\$11,250	0	\$0	0	\$0	0	\$0	8	\$11,250
Columbia Area Career Center	0	\$0	21	\$30,000	0	\$0	0	\$0	1	\$2,185	22	\$32,185
Grand River Technical School	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
Tri-County Technical School	0	\$0	2	\$1,500	0	\$0	0	\$0	0	\$0	2	\$1,500
Ranken Technical Institute	0	\$0	48	\$61,500	0	\$0	0	\$0	4	\$6,517	52	\$68,017
Sector Subtotal	39	\$77,000	610	\$791,472	8	\$25,783	23	\$57,500	65	\$104,433	745	\$1,056,188
GRAND TOTAL	8,262	\$15,674,793	12,704	\$16,195,168	239	\$512,162	123	\$282,040	4,006	\$7,918,222	25,334	\$40,582,385

AGENDA ITEM SUMMARY

AGENDA ITEM

2004 Governor's Conference on Higher Education
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

Plans are underway for the 2004 Governor's Conference on Higher Education, to be held in conjunction with the Coordinating Board for Higher Education meeting on Thursday, December 9, 2004. The location of the conference is in the process of being finalized.

The conference, entitled "Missouri Higher Education: Building Quality, Opportunity, and Prosperity Together," will focus on the areas of preparation, participation, and performance excellence. The Governor's Conference Planning Committee, which consists of representatives from the public two- and four-year institutions and MDHE staff, met on June 1 to discuss potential general and plenary session speakers and topics.

In an effort to grow and expand the conference, MDHE staff is exploring the option of contracting with a professional conference planning organization.

MDHE staff is also exploring revising the Governor's Award for Excellence in Teaching Luncheon and the awards that are given.

RECOMMENDED ACTION

This is a discussion item only.

ATTACHMENT

Tentative Conference Schedule

Coordinating Board for Higher Education
June 10, 2004

Governor's Conference on Higher Education 2004

Missouri Higher Education: Building Quality, Opportunity, and Prosperity Together

Location: TBD

TENTATIVE AGENDA

7:15 – 8:45 a.m.	Coordinating Board for Higher Education Meeting
9:00 – 9:15 a.m.	Welcoming Remarks Chair, Coordinating Board for Higher Education Commissioner of Higher Education
9:15 – 10:15 a.m.	General Session
10:15 – 10:30 a.m.	Break
10:30 – 11:45 a.m.	Concurrent Sessions <ul style="list-style-type: none">○ Preparation○ Participation○ Performance Excellence
12:00 – 2:00 p.m.	Governor's Award Luncheon
2:15 – 3:30 p.m.	Concurrent Sessions <ul style="list-style-type: none">○ Preparation○ Participation○ Performance Excellence
3:45 – 4:30 p.m.	Closing General Session

INFORMATION ITEMS

Tab

- 1 Certified Election Results from Proposed Junior College District of Lake of the Ozarks
- 2 Academic Program Actions
- 3 Campus-based Academic Program Review Update
- 4 Proprietary School Certification Actions and Reviews
- 5 Distribution of Community College Funds
- 6 Update on Recent Audits

AGENDA ITEM SUMMARY

AGENDA ITEM

Certified Election Results from Proposed Junior College District of Lake of the Ozarks
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

On April 6, 2004, residents of the Camdenton R-III and School of the Osage R-II school districts voted not to establish a new junior college district at Lake of the Ozarks. According to election results certified by the clerks of Camden, Miller, Morgan, and Laclede counties, 1,876 votes were cast in favor of the proposition to establish the new district and 3,208 votes were cast against the proposition. As required by law, section 178.800.3, RSMo, Ms. Dudley R. Grove, Secretary to the Coordinating Board, has certified that the proposition did not receive a majority of the votes cast.

STATUTORY REFERENCE

Section 178.800, RSMo

RECOMMENDED ACTION

| This is an information item only.

ATTACHMENT

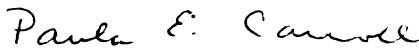
Certificate of Election

CERTIFICATE OF ELECTION

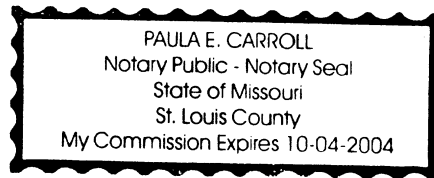
I, Ms. Dudley R. Grove, Secretary to the Missouri Coordinating Board for Higher Education, do hereby certify, pursuant to Section 178.800.3 of the Missouri Revised Statutes, that the proposal to establish a new junior college district at Lake of the Ozarks, Missouri did not receive a majority of the total number of votes cast at the Municipal Election Day on April 6, 2004 by the voters in the Camdenton R-III and School of the Osage R-II school districts, as certified and attested to by the clerks of Camden, Laclede, Miller, and Morgan Counties, Missouri.


Ms. Dudley R. Grove
Secretary, Missouri Coordinating Board for Higher Education

Subscribed and sworn to before me on this 23rd day of April, 2004


Notary Public

My commission expires on: 10-04-2004



CERTIFICATION OF ELECTION RESULTS

BY ROWLAND A. TODD
CAMDEN COUNTY CLERK

TO JAMES MATCHETS, ASSISTANT COMMISSIONER OF THE STATE BOARD OF EDUCATION.

THE FOLLOWING IS AN OFFICIAL CERTIFICATE OF ELECTION RESULTS OF THE
MUNICIPAL ELECTION HELD AT CAMDEN COUNTY, MISSOURI, ON APRIL 6, 2004.

STATE BOARD OF EDUCATION
THE JUNIOR COLLEGE OF LAKE OF THE OZARK

OFFICIAL BALLOT, MUNICIPAL ELECTION
CAMDEN COUNTY, MISSOURI
APRIL 6, 2004

APRIL 6, 2004 BALLOT STYLE 15 PAGE NO. 1

THE JUNIOR COLLEGE OF LAKE OF THE OZARKS PROPOSED

PROPOSITION ONE

Shall there be organized within the area comprising the school districts of Camdenton R-II and School of the Osage R-II, State of Missouri, a junior college district for the offering of 13th and 14th year courses, to be known as the "Junior College District of Lake of the Ozarks, Missouri," having the power to impose a property tax not to exceed the annual rate of twenty cents on the one hundred dollars assessed valuation of taxable property without voter approval and such additional taxes as may be approved by vote thereon, as prayed in petition filed with the Coordinating Board for Higher Education at Jefferson City, Missouri, on the Eighth day of September 2003?

YES	12	➔	1563
NO	13	➔	2682

THE JUNIOR COLLEGE OF LAKE OF THE OZARKS

TO CHOOSE BY BALLOT SIX TRUSTEES WHO SHALL SERVE AS MEMBERS OF THE BOARD OF TRUSTEES OF THE JUNIOR COLLEGE DISTRICT OF THE LAKE OF THE OZARKS, MISSOURI. THE TWO CANDIDATES RECEIVING THE GREATEST NUMBER OF VOTES SHALL BE ELECTED FOR TERMS OF SIX YEARS EACH. THE TWO RECEIVING THE NEXT GREATEST NUMBER OF VOTES FOR TERMS OF FOUR YEARS EACH, AND THE TWO RECEIVING THE NEXT GREATEST NUMBER OF VOTES FOR TERMS OF TWO YEARS EACH.

PROPOSITION TWO
FOR BOARD OF TRUSTEES
(Vote for SIX)

WILLIAM LAWSON CULVER	26	➔	1.178
M. RENEE' DAMRON	27	➔	1.206
FRANK CHRISTENSEN	28	➔	1.338
NICKIE FOSTER	29	➔	1.642
DAN GIER	30	➔	935
JOHN R. PORTH	31	➔	1.272
SCOTT J. CHRISTENSEN	32	➔	1.043
RON CALVIN	33	➔	975
JOHN WALKER	34	➔	1.574
CHARLES F. HUDDLESTON	35	➔	1.045
HERB JOHNSON	36	➔	1.082

CERTIFICATE OF ELECTION RESULTS

I, ROWLAND A. TODD, COUNTY CLERK/ELECTION AUTHORITY OF CAMDEN COUNTY, MISSOURI, DO HEREBY CERTIFY THAT THE FOREGOING IS A FULL AND ACCURATE RETURN OF ALL VOTES CAST AT THE ABOVE NAMED POLLING PLACE FOR ALL CANDIDATES AND FOR AND AGAINST ALL PROPOSITIONS AT SAID ELECTION AS CERTIFIED TO ME BY THE DULY QUALIFIED AND ACTING JUDGES OF SAID ELECTION.

Rowland A. Todd
COUNTY CLERK/ELECTION AUTHORITY
CAMDEN COUNTY

Jenny Davis
DEPUTY

APRIL 9, 2004

APR 12 2004

Glenda Mott
Laclede County Clerk

Laclede County Government Center
200 N. Adams
Lebanon MO 65536
PH 417-532-5471
Fax 417-588-9288
clerk@lacledecountymissouri.org

April 8, 2004

Missouri Department of Higher Education
3515 Amazonas Dr
Jefferson City, MO 65109

Junior College District of Lake of the Ozarks, Missouri – Proposition 1

YES-----0
NO-----1

Junior College District of Lake of the Ozarks, Missouri – Proposition 2

WILLIAM LAWSON CULVER-----0
M. RENEE' DAMRON-----0
FRANK CHRISTENSEN-----0
NICKIE FOSTER-----1
DAN GIER-----1
JOHN R. PORTH-----1
SCOTT J. CHRISTENSEN-----1
RON CALVIN-----0
JOHN WALKER-----1
CHARLES F. HUDDLESTON-----1
HERB JOHNSON-----1

STATE OF MISSOURI

COUNTY OF LACLEDE

I, Glenda Mott, Clerk of the County Commission of Laclede County, Missouri, hereby certify the above and foregoing to be the correct abstract of votes cast in the General Municipal Election held the 6th day of April 2004.

IN TESTIMONY WHEREOF, I hereunto set my hand and affix the seal of said Commission at my office in Lebanon, Missouri, this 8th day of April 2004.


Glenda Mott
Laclede County Clerk

CERTIFICATION OF ELECTION RESULTS

By Morgan County Clerk

To: Junior College District of Lake of the Ozarks (proposed)

The following is an Official Certificate of Election results of the General Municipal Election held at Morgan County, Missouri, on 6 April, 2004.

We hereby certify that:

Proposition One

Shall there be organized within the area comprising the school districts of Camdenton R-III and School of the Osage R-II, state of Missouri, a junior college district for the offering of 13th and 14th year courses, to be known as the "Junior College District of Lake of the Ozarks, Missouri", having the power to impose a property tax not to exceed the annual rate of twenty cents on the one hundred dollars assessed valuation of taxable property without voter approval and such additional taxes as may be approved by vote thereon, as prayed in petition filed with the Coordinating Board for Higher Education at Jefferson City, Missouri, on the Eighth day of September 2003?

YES _____ Received 13 _____ Votes

NO _____ Received 18 _____ Votes

Proposition Two

To choose by ballot six trustees who shall serve as members of the Board of Trustees of the Junior College District of Lake of the Ozarks, Missouri. The two candidates receiving the greatest number of votes shall be elected for terms of six years each, the two receiving the next greatest number of votes for terms of four years each, and the two receiving the next greatest number of votes for terms of two years each. Vote for Six

William Lawson Culver _____ Received 11 _____ Votes

M. Renee' Damron _____ Received 12 _____ Votes

Frank Christensen _____ Received 3 _____ Votes

Nickie Foster _____ Received 12 _____ Votes

Dan Gier _____ Received 10 _____ Votes

John R. Porth _____ Received 6 _____ Votes

Scott J. Christensen _____ Received 8 _____ Votes

Ron Calvin _____ Received 13 _____ Votes

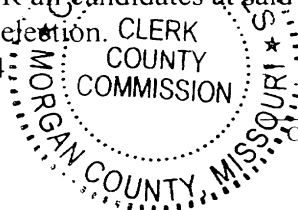
John Walker _____ Received 7 _____ Votes

Charles F. Huddleston _____ Received 11 _____ Votes

Herb Johnson _____ Received 10 _____ Votes

_____ Received _____ Votes

I, Cathy Daniels, County Clerk/Election Authority of Morgan County, Missouri, do hereby certify that the foregoing is a full and accurate return of all votes cast both FOR and AGAINST all propositions and FOR all candidates at said election as certified to me by the duly qualified and acting judges of said election. CLERK COUNTY COMMISSION
Certified this 8th day of April, 2004.



Cathy Daniels
County Clerk/Election Authority Morgan County, Missouri

By COUNTY CLERK

JUNIOR COLLEGE DISTRICT OF LAKE OF THE OZARKS, MISSOURI

Department of Higher Education:

The following is a Official Certificate of Election Results of the Municipal Election held at All Precinct, All Twp., Miller County, Missouri, on April 6, 2004. We hereby certify that:

We hereby certify that:

JUNIOR COLLEGE DISTRICT OF LAKE OF THE OZARKS, MISSOURI

Proposition One: Shall be organized within the area comprising the school districts of Camdenton R-111 and School of the Osage R-11, state of Missouri, a junior college district for the offering of 13th and 14th year courses, to be known as the "Junior College District of Lake of the Ozarks, Missouri," having the power to impose a property tax not to exceed the annual rate of twenty cents on the one hundred dollars assessed valuation of taxable property without voter approval and such additional taxes as may be approved by vote thereon, as prayed in petition filed with the Coordinating Board for Higher Education at Jefferson City, Missouri, on the Eighth day of September 2003?


Yes	RECEIVED	300	VOTES
No	RECEIVED	507	VOTES
	RECEIVED		VOTES
	RECEIVED		VOTES
	RECEIVED		VOTES

Proposition Two: To choose by ballot six trustees who shall serve as members of the Board of Trustees of the Junior College District of Lake of the Ozarks, Missouri. The two candidates receiving the greatest number of votes shall be elected for terms of six years each, the two receiving the next greatest number of votes for terms of four years each, and the two receiving the next greatest number of votes for terms of two years each.

[illegible]

CERTIFICATE OF ELECTION RESULTS

I, Clayton E. Jenkins County Clerk/Election Authority of Miller County, Missouri, do hereby certify that the foregoing is a full and accurate return of all votes cast at the above named polling place for all CANDIDATES and FOR and AGAINST all propositions at said election as certified to me by the duly qualified and acting judges of said election.


Clayton E. Jenkins
County Clerk/Election Authority

AGENDA ITEM SUMMARY

AGENDA ITEM

Academic Program Actions
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

All program actions that have occurred since the April 8, 2004 Coordinating Board meeting are reported in this information item.

STATUTORY REFERENCE

Sections 173.005.2(1), 173.005.2(7), 173.030(1), and 173.030(2), RSMo, Statutory requirements regarding CBHE approval of new degree programs

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Academic Program Actions

ACADEMIC PROGRAM ACTIONS

I. Programs Discontinued

No actions of this type have been taken since the last board meeting.

II. Programs and Options Placed on Inactive Status

Harris-Stowe State College

BS, Hospitality and Tourism Management, 2+2 Program (Program Inactive)

BS, Information Sciences and Computer Technology
Computer/Network Analyst (Option Inactive)
Systems/Network Analyst (Option Inactive)

Linn State Technical College

AAS, Networking Systems Technology
Technology Coordinator (Option Inactive)

University of Missouri – Columbia

BHS, Radiologic Sciences
Radiation Therapy Technician (Option Inactive)

III. New Programs Not Approved

No actions of this type have been taken since the last board meeting.

IV. Approved Changes in Academic Programs

Missouri Western State College

Current Program:

BS, Recreation Sport Management with one option in
Recreation Management

Approved Change: Addition of option

Program as Changed:

BS, Recreation Sport Management with two options in
Recreation Management
Sport Management

North Central Missouri College

1. Current Program:

AAS, Medical Assistant

Approved Change: Add certificate programs developed from approved existing parent degree

Program as Changed:

AAS, Medical Assistant

C1, Medical Assisting

C1, Medical Transcriptionist

C1, Medical Insurance and Billing Specialist

2. Current Programs:

AAS, Agriculture

Approved Changes: Add certificate program developed from approved existing parent degree

Program as Changed:

AAS, Agriculture

C1, Equine Management

Southwest Missouri State University – West Plains

1. Current Program:

C1, Industrial Supervision

Approved Change: Title change of certificate program and CIP Code change

Program as Changed:

C1, Technology Management

2. Current Program:

AAS, Industrial Technology with two options in

Mechanical Drafting

Industrial Supervision

Approved Change: Title change of option and CIP Code change

Program as Changed:

AAS, Industrial Technology with two options in

Mechanical Drafting

Technology Management

3. Current Program:

AAS, Business with three options in

Accounting

Computer Information

Management/Marketing

Approved Change: Addition of option

Program as Changed:

AAS, Business with three options in
Accounting
Computer Information
Management/Marketing
Technology Management

University of Missouri – Columbia

1. Current Program:

PhD, Human Environmental Studies with five options in
Consumer and Family Economics
Environmental Design
Human Development and Family Studies
Human Nutrition Foods and Food Systems Management
Textile and Apparel Management

Approved Change: Title change of option

Program as Changed:

PhD, Human Environmental Studies with five options in
Architectural Studies
Consumer and Family Economics
Human Development and Family Studies
Human Nutrition Foods and Food Systems Management
Textile and Apparel Management

2. Current Program:

BS/MS/PhD, Soil and Atmospheric Sciences

Approved Change: Title change of program

Program as Changed:

BS/MS/PhD, Soil, Environmental, and Atmospheric Sciences

3. Current Program:

MS, Health Informatics

Approved Change: Title change of program and addition of options

Program as Changed:

MS, Informatics with two options in
Bioinformatics
Health Informatics

4. Current Program:
BA, Interdisciplinary with three options in
 Black Studies
 Peace Studies
 Women's and Gender Studies

Approved Change: Add option to existing program

Program as Changed:
BA, Interdisciplinary with four options in
 Black Studies
 Environmental Studies
 Peace Studies
 Women's and Gender Studies

5. Current Program:
BA, Theatre with three options in
 Design/Technical
 Performance
 Playwriting

Approved Change: Title change for option

Program as Changed:
BA, Theatre with three options in
 Design/Technical
 Performance
 Writing for Performance

6. Current Program:
BSHES, Environmental Design

Approved Change: Title change of program and addition of options

Program as Changed:
BSHES, Architectural Studies with two options in
 Architectural Studies
 Interior Design

7. Current Programs:
MA/MS, Environmental Design

Approved Change: Title change and addition of options

Programs as Changed:

MA/MS, Architectural Studies with two options in
Design and Digital Media
Environment and Behavior

University of Missouri – Kansas City

1. Current Program:

MBA, Business Administration with seven options in
Entrepreneurship
Finance
General Management
Leadership and Change in Human Systems
Management Information Systems
Marketing
Operations Management

Approved Change: Reactivate an option previously placed on Inactive status

Program as Changed:

MBA, Business Administration with eight options in
Entrepreneurship
Finance
General Management
International Business (Reactivate)
Leadership and Change in Human Systems
Management Information Systems
Marketing
Operations Management

2. Current Program:

EDSP, Curriculum and Instruction with four options in
Curriculum Theory and Leadership
Early Childhood Education
Elementary or Middle School Specialty
Subject Matter Specialty

Approved Change: Add option to existing program

Program as Changed:

EDSP, Curriculum and Instruction with five options in
Curriculum Theory and Leadership
Early Childhood Education
Elementary or Middle School Specialty
Multicultural Education
Subject Matter Specialty

3. Current Program:
MA, Curriculum and Instruction with seven options in
Early Childhood Education
Elementary Education
General
Teaching English – Second Language
Technology
Subject Matter Specialty
Urban Teaching

Approved Change: Title change of option

Program as Changed:
MA, Curriculum and Instruction with seven options in
Early Childhood Education
Elementary Education
General
Multicultural Education
Teaching English – Second Language
Technology
Subject Matter Specialty

University of Missouri – Rolla

Current Program:
BS, Information Science and Technology

Approved Change: Add option to existing program

Program as Changed:
BS, Information Science and Technology with an option in
Human Computer Interaction

V. Received and Reviewed Changes in Programs (Independent Colleges and Universities)

No actions of this type have been taken since the last board meeting.

VI. Program Changes Requested and Not Approved

No actions of this type have been taken since the last board meeting.

VII. Programs Withdrawn

No actions of this type have been taken since the last board meeting.

VIII. New Programs Approved

Ozarks Technical Community College

AAS, Dental Assisting

Missouri Western State College

BS, Biotechnology

BS, Wildlife Conservation and Management

Moberly Area Community College

AA, Associate of Arts

This program will be delivered at the Northeast Technical Center in Edina

North Central Missouri College

AAS, Manufacturing Technology

This program will be delivered at the Northwest Technical School in Maryville

Northwest Missouri State University

MS, Applied Computer Science

This program will be offered in either a blended or an online format. Students in blended courses will have regular face-to-face contact with the instructor but will have fewer required classroom meetings than in a traditional class. Students using the online format may be required to meet on campus for one week during the semester.

Southeast Missouri State University

EDSP, Educational Administration

This program will be delivered at the Perryville Higher Education Center, the Jefferson College main campus, Ste. Genevieve High School, Festus High School, and the Park Hills area.

Three Rivers Community College

AAS, Diversified Technology

This program will be delivered at the Three Rivers Community College campus, the Sikeston Higher Education Center, the Bootheel Education Center, the Kennett Higher Education Center, and on the campus of Southeast Missouri State University in Cape Girardeau.

- Prior to implementation on the Southeast Missouri State University campus at Cape Girardeau, the course will be reviewed by Three Rivers Community College, Mineral Area College, and Southeast Missouri State University in the context of current commitments.

- Further, all three institutions will develop a mutually agreeable plan to ensure an efficient use of resources and the avoidance of unnecessary duplication of effort.
- This plan for diversified technology offered on the Southeast Missouri State University campus should be submitted to the DHE prior to implementation of this program in Cape Girardeau.

IX. New Programs Received and Reviewed (Independent Colleges and Universities)

Rockhurst University

BS, Biochemistry

BS, Bioinformatics

Westminster College

BA, Environmental Science

AGENDA ITEM SUMMARY

AGENDA ITEM

Campus-based Academic Program Review Update
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

The board's commitment to ensure the quality of academic programs includes policies for the review of new academic proposals and, for public four-year institutions, regular review of existing academic programs. This latter process of engaging in campus-based academic program reviews, also known as campus-based reviews (CBR), involves an examination of institutional policies, practices, and actions associated with the performance of existing academic programs. In addition to data associated with results that institutions should review annually, e.g., graduation rates, student performance on exit examinations, and job placement information, public four-year institutions are working with the MDHE staff to identify and improve key education quality processes that generate these and related results. The types of processes that are essential to drive performance improvement of teaching and learning as well as appropriate roles for the state and the institutional leadership are being explored. Once redesigned, CBR will serve as one of several key aspects of the department's quality initiative. The intent of this board item is to provide an update about the status of revisions to the state's CBR requirements.

Background

For over 20 years, Missouri public four-year institutions have been required by the CBHE to review their existing academic programs on a regular five-year cycle with approximately 20 percent of the programs reviewed annually. Institutions are given latitude in determining the sequence that best satisfies scheduling requirements. These reviews have tended to emphasize ways to strengthen programs and to identify and reinforce institutional priorities. Originally, full reviews were submitted to the MDHE and reported to the board in detail. Over time, the process changed to involve submission of executive summaries only. Board members were notified which programs underwent reviews during a given fiscal year and were given access to the full review upon request. While many two-year institutions also engage in a regular review of existing academic programs, the board's policy environment has not required the systematic submission of information related to public two-year campus-based reviews.

During the past year, questions have been raised by MDHE staff about ways to revise CBR to improve performance at public four-year institutions. Conclusions from previous evaluations of the state CBR requirements suggest that there was significant variation in the quality of data provided. A consistent reporting format has not been used. An understanding of the quality processes, programmatic trends, and improvements within institutions and across the state has been limited. Questions have been raised about the utility of traditional program reviews based

Coordinating Board for Higher Education
June 10, 2004

on the perception that they tended to be superficial, driven primarily by accountability demands, and did not assess education quality processes. Too often, faculty was perceived as not engaged in department-based structured conversations that focused on good practice and spurred improvement in teaching and learning.

In October 2003, the state regulations associated with CBR were postponed to provide MDHE staff an opportunity to work with chief academic officers in a redesign of CBR in both substance and approach. This decision was partially motivated by feedback received from many faculty and administrators who had been questioning the value of having to provide MDHE with annual executive summaries, which in many cases had become largely *pro forma*. Furthermore, in its review of higher education tuition levels, the state auditor recommended that the MDHE should collect data to determine the cost-effectiveness of existing academic programs and whether each program meets the school's mission. To accomplish this, the state auditor recommended that the department should ensure these reviews are independently and objectively completed.

Several campuses are in the midst of modifying institutional CBR policies to focus more directly on how to monitor academic standards and improve the quality of teaching and learning. Building on the principles of academic audit fostered by Dr. William Massy, president of the Jackson Hole higher Education Group, Inc., and author of *Honoring the Trust: Quality and Cost Containment in Higher Education*, the University of Missouri has been actively involved in designing an alternative to traditional academic program review. Audit panels involving external members review self-evaluation documents and evidence related to academic quality processes. Additionally, the University of Missouri has other processes underway that evaluate departmental utilization of existing resources.

A workshop on CBR for chief academic officers of public four-year institutions jointly sponsored by the MDHE and the University of Missouri and facilitated by Dr. Massy was held on May 18, 2004. A panel of chief academic officers discussing existing CBR reports agreed that these reports are often afterthoughts and do not add value. During the discussion, participants stressed the importance of simplifying the process, of having a continuous process of engagement in systematic self-reflection, of utilizing external evaluators or auditors, and of having some connection to resource allocation, albeit at the margin. For many, CBR is still seen as a compliance model and in need of reform.

Dr. Massy discussed some basic differences between traditional program review and the process of academic audit. In the process of completing traditional program reviews, Massy suggested that evaluators tend to second-guess departments and often recommend more resources for the department to reach its potential. The process is difficult at best, the results are too predictable, and the faculty often remains disengaged.

In contrast, the academic audit focuses on educational processes to assure academic quality and continuous improvement. Rather than simply looking at results, auditors raise questions with faculty about the underlying processes at work in the life of professional educators. Key questions become: What knowledge, skills, and values will be taught? What teaching materials will be used? How will learning be achieved? How will faculty get feedback on the learning

process? How will the design goals be achieved day in and day out in the face of conflicting priorities? What quality assurance processes are in place?

In focusing on quality principles, additional concerns involve defining quality in terms of outcomes, focusing on how things get done, working collaboratively, basing decisions on evidence, striving for coherence, learning from best practices, and making continuous improvement a priority. Teaching and learning are not an afterthought, but are thrust front and center into the daily life of the department. In short, department personnel become engaged in discussing evidence for perceptions and attitudes about the effectiveness of teaching and learning in their unit.

Future Considerations

Too often, assessment agendas, much less improvement agendas, are driven by external factors associated with demands for increased accountability. Without ownership and engagement by faculty, the amount of long-lasting change is limited. Concerning resource allocation, the question of whether a department is doing the best job with its available resources can and should be separated from questions about whether the institution should add investments or disinvest in a department's resource base.

The MDHE is looking for ways to instill more passion for continuous quality improvement as a driver for assessment and change. If successful, this activity should demonstrate greater accountability to the public and to key policymakers. Chief academic officers agreed that continuous attention to education quality processes, including incentives and disincentives at the margin dependent on participation, is an important goal for a redesign of CBR. At the same time, participants at the workshop suggested that an academic audit focused on education quality processes should not be considered as a substitute for an institution's responsibility in determining minimal results below which serious questions about resource allocation should be addressed.

In promoting a redesign of CBR to focus on education quality processes, questions remain about the role that the state can and should play in the process, the value the state can add by the questions it asks and the incentives it provides, and the leadership the state can provide for helping external constituents understand the relationship between education quality processes and performance results. While the unit of analysis for an institution that is promoting and evaluating education quality processes will be sub-units, e.g., departments, schools, centers, and individual programs, the state may want to use institutions as a unit of analysis for its questions and attention to education quality processes.

Chief academic officers suggested that the state might want to establish a corps of trained auditors (representatives from institutions) who could conduct audits at the institution level and at the department and programmatic levels. A working group of chief academic officers or their designees will be used to develop recommendations for a new approach to state regulations for CBR in both substance and approach.

By working with institutions to focus attention on education quality processes alongside a review of regular academic performance indicators and value-added student learning, MDHE will be reinforcing an agenda with institutions across several key criteria associated with quality initiatives. Furthermore, MDHE will be ensuring that process management associated with faculty roles in improving teaching and learning is given appropriate attention in addition to an emphasis on leadership roles, strategic planning, constituent concerns, the use of data and analysis, human resources, and results.

Conclusions

As part of its commitment to move from a compliance model to an emphasis on quality principles and performance excellence, the MDHE is working with public four-year institutional representatives in revising state regulations associated with CBR. A revised CBR policy has the opportunity to change the nature of the conversation between the CBHE/MDHE and public four-year institutions concerning the assurance of educational quality processes associated with teaching and learning. Adaptations of CBR to public two-year institutions should be pursued as well. A revised CBR will be integrated into the MDHE quality improvement journey.

STATUTORY REFERENCE

Section 173.005(7) CBHE statutory responsibility to collect the necessary information and develop comparable data for all institutions of higher education in the state . . .

Section 173.020(4) RSMo, CBHE statutory responsibility for designing a coordinated plan for higher education in the state . . .

Section 173.030(2) RSMo, CBHE statutory responsibility for recommending to governing boards of any institutions in the state the development, consolidation, or elimination of programs, degree offerings, physical facilities or policy changes where that action is deemed . . . in the best interests of the institution . . . and or the general requirements of the state.

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Proprietary School Certification Actions and Reviews
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

All program actions that have occurred since the April 8, 2004 Coordinating Board meeting are reported in this information item. In addition, the report includes information concerning anticipated actions on applications to establish new postsecondary education institutions and exemptions from the department's certification requirements.

STATUTORY REFERENCE

Sections 173.600 through 173.618, RSMo, Regulation of Proprietary Schools

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT

Proprietary School Certification Program Actions and Reviews

Coordinating Board for Higher Education

Proprietary School Certification Program Actions and Reviews

Certificates of Approval Issued (Authorization for Instructional Delivery)

Missouri Taxidermy Institute
Linn Creek, Missouri

This individual proprietor school offers instruction designed to prepare individuals to become commercial/professional taxidermists. The school offers two nondegree programs (a four week and an eight week course) in this occupational field. The school is not accredited.

Skyline Aeronautics
Chesterfield, Missouri

This for-profit, limited liability company operates a full-service flight training school in addition to its aircraft rental and maintenance facility. The school offers private, instrument, and commercial pilot training programs. Although the school is approved and certified by the Federal Aviation Administration, it is not accredited.

Certificates of Approval Issued (Authorization Only to Recruit Students in Missouri)

None

Applications Pending Approval (Authorization for Instructional Delivery)

Baker University
Faucett and Excelsior Springs, Missouri

This not-for-profit, regionally accredited (Higher Learning Commission) institution based in Overland Park, Kansas is currently approved to offer programs at the associate, bachelor's and master's degree levels in business and education. At the request of local school district personnel, this proposal would extend the Master of Arts in Education program to Faucett, in Buchanan County, and Excelsior Springs, located in Clay County.

Bellevue University
St. Joseph, Missouri

This not-for-profit, regionally accredited (Higher Learning Commission) institution based in Bellevue, Nebraska is proposing to offer a Master of Science degree in Healthcare Administration in St. Joseph, in partnership with Missouri

Western State College. This program is designed to address the demand for qualified workers in the healthcare area and support area business needs with this degree. The proposal also indicates the institution may have a future interest in offering a criminal justice program.

L'Ecole Culinaire
St. Louis, Missouri

This proposal is to establish a branch of the Des Moines, Iowa campus of Vatterott College, a for-profit private career school system owned by Wellspring Capital Partners of New York, New York. Vatterott College is accredited by the Accrediting Commission of Career Schools and Colleges of Technology and operates 16 campuses in eight states. The St. Louis branch of this institution would offer two associate degree and one nondegree program in the culinary arts.

Update on Previously Reported Pending Approval

John Thomas College of Naturopathic Medicine
St. Charles, Missouri

This is a proposal to establish a new for-profit institution of higher education in order to provide naturopathic medical education programs. The proposal includes one first professional degree program, a Doctor of Naturopathic Medicine (NMD) degree, and a Pharmacology elective track. Enrollment in the proposed school would be limited to persons with “a professional health care degree and license-eligible or statutorily licensed to diagnose and treat the human body.” Coursework would be delivered through classroom work (in a Friday evening through Sunday format), through distance education methods, and through supervised research. This school is not accredited.

Initial report to CBHE: June 2003

Current status: Staff continues to work with the officials of the proposed John Thomas College of Naturopathic Medicine. School officials submitted a response to the external review team report, which department staff determined did not satisfy all remaining concerns. The school officials have been notified of the remaining deficiencies, and staff is working with them to resolve these items. In order to bring this issue to closure, the department has established a deadline for final action of August 1, 2004.

International University, Inc.
Grandview, Missouri

This not-for-profit corporation operates multiple institutions in the state. Those institutions include the International University, the College of Security, Technology, and Management, the College of Homeland Security, and the International Bible College. Although consideration of the application was

originally deferred due to a connection with an exempt institution, recent information indicates these institutions now operate independently. As a consequence, the completion of the application review was initiated. The schools included within this group offer programs in more than 25 subject areas and at all levels from certificate through the doctorate. The school is not accredited.

Initial Report to CBHE: December 2003

Current status: The staff review of the application materials was completed in December and school officials were sent a written review detailing all related findings and requesting revised and supplemental information in each of the 18 areas where major concerns were identified. Based on correspondence from school officials, the review report is under analysis by school officials and department staff is currently awaiting the school's response.

Applications Pending Approval (Authorization Only to Recruit Students)

None

Applications Pending Approval (Annual Recertification)

The following is a listing of schools that are certified to operate by the Coordinating Board for Higher Education for the 2003-2004 certification year, which ends June 30, 2004. The listed schools have submitted applications for recertification and those applications are under review by the Proprietary School Certification Program staff. Pending satisfactory response to the staff review, it is expected that all listed schools will receive a certificate of approval for the 2004-2005 certification year beginning on July 1, 2004.

Authorization for Instructional Delivery

A Gathering Place-Wellness Ed. Center	Florissant, MO
A Technological Advantage	St. Louis, MO
Adlard School of Dental Assisting	Independence, MO
Administration Health Care Institute	Dexter, MO
Advanced Dental Careers	Ballwin, MO
Allied College*	St. Louis, MO
American College of IT	Saint Joseph, MO
American Trade School	Overland, MO
American Woodworking Academy	O'Fallon, MO
Aviation Institute of Maintenance	Kansas City, MO
Baker University**	Lee's Summit, MO
Barbizon School of Clayton	Clayton, MO
Bartending College of St. Louis	St. Louis, MO
Boston Bartenders School of America	Kansas City, MO
Broadcast Center	St. Louis, MO
Brunswick School of Auctioneering	Brunswick, MO

Bryan College	Springfield, MO
C-1 Truck Driver Training	St. Louis, MO
C-1 Truck Driver Training	Strafford, MO
Career Alternatives Learning Center	Bridgeton, MO
Central Michigan University**	Kansas City, MO
Cheers Bartending Academy	Springfield, MO
City House Learning Centers	St. Louis, MO
Commercial Driver Training	Sikeston, MO
CompUSA Technology Training	Sunset Hills, MO
ComSkill Learning Center of Kansas City	Kansas City, MO
Concorde Career Institute, Inc.	Kansas City, MO
Daruby School*	St. Louis, MO
DePaul University**	Perryville, MO
DeVry University	Kansas City, MO
DeVry University-Downtown KC**	Kansas City, MO
DeVry University-Downtown STL**	St. Louis, MO
DeVry University-South KC**	Kansas City, MO
DeVry University-West County STL**	St. Louis, MO
Foley-Belsaw Institute	Kansas City, MO
Friends University**	Independence, MO
Global University	Springfield, MO
Graceland University-Independence**	Independence, MO
Graceland University-Trenton**	Trenton, MO
H & R Block Eastern Tax Service*	Kansas City, MO
Heartland Horseshoeing School	Lamar, MO
Heritage College**	Kansas City, MO
Hickey College	St. Louis, MO
High Tech Institute**	Kansas City, MO
Hook Up Drivers, Inc.	Joplin, MO
IHM Health Studies Center	St. Louis, MO
Image Body and Beauty Institute	St. Joseph, MO
International School of Professional Bartending	Kansas City, MO
ITT Technical Institute-Arnold**	Arnold, MO
ITT Technical Institute-Earth City	Earth City, MO
Jackson Hewitt Tax School	Kansas City, MO
John Robert Powers International	St. Louis, MO
Kansas City Center/Montessori Education	Kansas City, MO
Kansas City College of Legal Studies**	Kansas City, MO
Lesley University-Blue Springs**	Blue Springs, MO
Lesley University-Columbia**	Columbia, MO
Lesley University-N. Kansas City**	N. Kansas City, MO
Lesley University-St. Louis**	St. Louis, MO
Massage Therapy Institute of Missouri	Columbia, MO
Massage Therapy Training Institute	Kansas City, MO
MERS/Missouri Goodwill Industries	St. Louis, MO
Metro Business College*	Cape Girardeau, MO
MidAmerica Nazarene University**	Kansas City, MO
Midwest Inst Bodywork & Somatic Therapy	Kansas City, MO
Midwest Institute*	Kirkwood, MO

Midwestern Training Center	Hazelwood, MO
Missouri Auction School	Earth City, MO
Missouri College	St. Louis, MO
Missouri School of Dog Grooming	St. Louis, MO
Missouri Taxidermy Institute	Linn Creek, MO
Missouri Tech	St. Louis, MO
Missouri Welding Institute, Inc.	Nevada, MO
MVC Computer & Business School	Arnold, MO
National American University**	Kansas City, MO
New Horizons Computer Learning Center	Maryland Height, MO
New Horizons Computer Learning Center	Springfield, MO
NOVA Southeastern University-KC**	Kansas City, MO
NOVA Southeastern University-Springfield**	Springfield, MO
NOVA Southeastern University-STL**	St. Louis, MO
Nutrition Institute of America	Kansas City, MO
Nu-Way Truck Driver Training Centers	St. Louis, MO
Olivet Nazarene University**	Bourbonnais, IL
On-Line Training Center	Ferguson, MO
Orler School of Massage Therapy Technology	Joplin, MO
Ottawa University**	Lee's Summit, MO
Ottawa University Kansas City**	Independence, MO
Patricia Stevens College	St. Louis, MO
Petropolis Academy of Pet Grooming	Chesterfield, MO
Pinnacle Career Institute	Kansas City, MO
Pittsburg State University**	Pittsburg, KS
Professional Fitness Institute	Independence, MO
Professional Massage Training Center	Springfield, MO
Review of Systems School of Med. Transcription	Kearney, MO
Saint Louis Center/Montessori Education	St. Louis, MO
Sanford-Brown College*	Fenton, MO
School of Massage Arts	Springfield, MO
Security Training Center, Inc.	St. Louis, MO
Skyline Aeronautics	Chesterfield, MO
Southern Illinois University-NIMA**	St. Louis, MO
Southern Missouri Truck Driving School	Malden, MO
Springfield College	Springfield, MO
St. Charles Flying Service	St. Charles, MO
St. Charles School of Massage Therapy	St. Charles, MO
St. Louis College of Health Careers*	St. Louis, MO
Stoddard County Career Learning Center	Dexter, MO
Stuppy Mid Amer. School of Floral Design	N. Kansas City, MO
Susanna Wesley Family Learning Center	East Prairie, MO
TechSkills	St. Louis, MO
TelTemps Training Resources, Inc.	St. Louis, MO
The Bartending Institute	St. Louis, MO
The Healing Arts Center	Maplewood, MO
The New R.T. Coles Vocational Institute	Kansas City, MO
Tom Rose School Dog Training & Grooming	High Ridge, MO
Travel Career Academy	Springfield, MO

University of Phoenix Online Campus**	Phoenix, AZ
University of Phoenix-Kansas City**	Kansas City, MO
University of Phoenix-St. Louis**	Des Peres, MO
University of St. Francis**	Chesterfield, MO
Urban League Business Training Center	St. Louis, MO
Vatterott College*	St. Ann, MO
Vatterott College-St. Joseph**	St. Joseph, MO
W.T.I. Joplin Campus**	Joplin, MO
Westco Tech	Arnold, MO
Wholistic Life Center School of Massage	Washburn, MO
Witte Truck Driving School	Troy, MO

** Denotes a Missouri location for an institution based outside of the state.

Authorization Only to Recruit Students

At-Home Professions	Fort Collins, CO
C1 Professional Training Center	Indianapolis, IN
Clinton Technical Institute*	Phoenix, AZ
DeVry University-AZ	Phoenix, AZ
High-Tech Institute	Phoenix, AZ
Lincoln Technical Institute	Indianapolis, IN
Nashville Auto Diesel College, Inc.	Nashville, TN
Paducah Technical College	Paducah, KY
Spartan College of Aeronautics & Technology	Tulsa, OK
Tulsa Welding School	Tulsa, OK
Universal Technical Institute-AZ	Phoenix, AZ
Universal Technical Institute-IL	Glendale Hgts., IL
Universal Technical Institute-TX	Houston, TX
Westwood College	Denver, CO
Westwood College of Aviation Technology	Broomfield, CO
Westwood College-DuPage	Woodridge, IL
Wyoming Technical Institute	Laramie, WY

* Denotes main campus of a multi-campus institution.

Exemptions Granted

Clinical Nursing Institute at Missouri Baptist Medical Center
St. Louis, Missouri

This school, operated as a unit of the not-for-profit Missouri Baptist Medical Center, offers a refresher course for licensed registered nurses who have been out of the nursing field or that wish to update their skills. The program has been approved by the Missouri Nurses Association as continuing professional education for its members. Exemption was granted as “a course of study or instruction conducted by a trade, business, or professional organization with a closed membership where participation in the course is limited to bona fide members of the trade, business, or professional association.”

Jacobs Facilities, Inc.
St. Louis, Missouri

Jacobs Facilities is a for-profit architectural, engineering and construction management company with corporate headquarters located in St. Louis, Missouri. Exempt status was sought in order for the training and development section of the corporation to provide continuing education programs on a range of project management, safety, and leadership subjects. Exemption was granted as “a course of instruction, study or training program sponsored by an employer for the training and preparation of its own employees.”

Property Shop Real Estate School
St. Clair, Missouri

This for-profit school is approved by the Missouri Real Estate Commission to provide salesperson and broker prelicense courses for individuals entering the real estate sales occupation. Exemption was granted as “a school which is otherwise licensed and approved under and pursuant to any other licensing law of this state.”

Shepherd’s Walk Bible Institute
Stella, Missouri

This not-for-profit school was formed as an outreach effort of Shepherd’s Walk Ministries, Inc., a non-denominational ministry. The school catalog indicates its objective is to provide a solid foundation for a life of evangelism, Christian faith and servitude. Exemption was granted as “a not-for-profit school owned, controlled and operated by a bona fide religious or denominational organization which offers no programs or degrees and grants no degrees or certificates other than those specifically designated as theological, bible, divinity or other religious designation.”

Schools Closed

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Distribution of Community College Funds
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

The process for making state aid payments to the community colleges in FY 2004 will be made monthly. All FY 2004 state aid appropriations are subject to a 3 percent governor's reserve. State aid withholdings of \$2,948,740 in general revenue funds and \$563,225 in lottery funds took effect July 2, 2003. In December, \$1,252,402 in general revenue withholdings were released. In February, \$563,225 in lottery fund withholdings were released. In April, the remaining \$1,696,338 general revenue withholdings were released.

The payment schedule for May through June 2004 state aid distributions is summarized below. Maintenance and Repair disbursements have been made through May.

State Aid (excluding M&R) – GR portion	\$ 12,941,897
State Aid – lottery portion	805,677
Workforce Preparation – GR portion	2,357,105
Workforce Preparation – lottery portion	215,402
Out-of-District Programs	185,664
Technical Education	3,228,430
Workforce Preparation for TANF Recipients	259,572
Maintenance and Repair	<u>355,397</u>
TOTAL	\$ 20,349,144

In addition, a payment for capital appropriations, pursuant to House Bill 20 (previously House Bill 16), was made in the amount of \$157,315 to St. Louis Community College.

The total distribution of state higher education funds to community colleges during this period is \$20,506,459.

STATUTORY REFERENCE

Section 163.191, RSMo

Coordinating Board for Higher Education
June 10, 2004

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None

AGENDA ITEM SUMMARY

AGENDA ITEM

Update on Recent Audits
Coordinating Board for Higher Education
June 10, 2004

DESCRIPTION

Departmental Audits

- In May 2003, the Missouri State Auditor's Office (SAO) issued their State of Missouri Single Audit report of federal funds for the year ending June 30, 2002. In this report the SAO questioned costs of \$183,084 related to DHE's administration of the Federal Family Education Loan (FFEL) program and notified the United States Department of Education (USDE) of the questioned costs.

In January 2004, USDE notified DHE of the questioned costs and asked DHE to either appeal the determination or return \$183,084 to the federal fund. DHE appealed the determination and was notified on April 30, 2004, that the appeal was granted. In their letter of notification, USDE stated the \$183,084 in questioned costs were allowable expenditures and the audit is considered closed.

- The SAO will soon issue the next State of Missouri Single Audit report of federal funds for the year ending June 30, 2003. The SAO completed DHE's portion of the audit in December 2003, and during our exit interview with the SAO, DHE staff were notified there would be no audit findings related to DHE in this audit report.
- In September 2002, the SAO issued an audit report that recommended DHE implement procedures to test student eligibility determinations made by colleges and universities for state financial assistance programs administered by DHE. Despite staff and funding reductions, DHE continues to perform limited program reviews when possible. One such review was conducted in March 2004, and resulted in identification of an ineligible "Bright Flight" disbursement that was not returned by the institution to DHE.

Institutional Audits

The SAO has recently begun an audit of State Fair Community College, as well as an audit of the University of Missouri System and other selected institutions related to their use of procurement cards for official purchases.

Coordinating Board for Higher Education
June 10, 2004

RECOMMENDED ACTION

This is an information item only.

ATTACHMENT(S)

None